



CAYMAN ISLANDS LEGISLATIVE ASSEMBLY

OFFICIAL HANSARD REPORT ELECTRONIC VERSION

1996 SESSION

Hon. Sybil I. McLaughlin, MBE, JP, Speaker

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Second Official Member responsible for Legal Administration

Hon. George Anthony McCarthy, OBE, JP

Third Official Member responsible for Finance and Development

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Hon. Thomas Carroll Jefferson, OBE, JP

Elected Member responsible for Tourism Environment and Planning

Hon. Anthony Samuel Eden, JP

Elected Member responsible for Health, Drug Abuse Prevention and Rehabilitation

Hon. Truman Murray Bodden, OBE, JP

Elected Member responsible for Education, Culture and Aviation

Hon. John Bonwell McLean, JP

Elected Member responsible for Agriculture, Communications and Works

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Mr. Dustan Dalmain Ebanks

Fourth Elected Member for the First Electoral District of West Bay

Dr. Stephenson Anthony Tomlinson

Second Elected Member for the Second Electoral District of George Town

Mrs. Berna L. Thompson Murphy, MBE

Third Elected Member for the Second Electoral District of George Town

Mr. Darwin Kurt Tibbetts

Fourth Elected Member for the Third Electoral District of George Town

Capt. Mabry Salisbury Kirkconnell, MBE, JP

First Elected Member for the Third Electoral District of Cayman Brac and Little Cayman

Mr. Gilbert Allan McLean

Second Elected Member for the Third Electoral District of Cayman Brac and Little Cayman

Mr. Roy Bodden

First Elected Member for the Fourth Electoral District of Bodden Town

Miss Heather Diane Bodden

Third Elected Member for the Fourth Electoral District of Bodden Town

Mrs. Edna Marie Moyle, JP, Deputy Speaker

Elected Member for the Fifth Electoral District of North Side

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Abbreviations: (A) Amendment; *1r, 2r, 3r*, first, second, third reading; *CAL*, Cayman Airways, Ltd.; *CDB*, Caribbean Development Bank; *CPA*, Central Planning Authority; (C); Committee; *DOE*, Department of Environment; *DOT*, Department of Tourism; *GHHS*, George Hicks High School; *GM*, Government Motion; *GT*, George Town; *ICCI*, International College of the Cayman Islands; *JGHS*, John Gray High School; *PM*, Private Member's Motion; (R); Report; *S.O.*, Standing Order.

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**EDITED
FRIDAY
16TH FEBRUARY, 1996
9.41 AM**

The Speaker: I will ask the Minister to say prayers.

PRAYERS

Pastor Alison Ebanks, Cert. Hon: Let us Pray.

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

Bless our Sovereign Lady Queen Elizabeth II, 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 Speaker of the Legislative Assembly, Official Members and Ministers 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.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated.

The Clerk will now read the Proclamation.

PROCLAMATION NO.4 OF 1996

Clerk: "Proclamation No. 4 of 1996 by His Excellency John Owen, Member of the British Empire, Governor of the Cayman Islands.

"WHEREAS section 46 (1) of the Constitution of the Cayman Islands provides that the Sessions of the Legislative Assembly of the Cayman Islands shall be held at such places and begin at such times as the Governor may, from time to time, by Proclamation appoint;

"NOW THEREFORE I, the Governor, by virtue of the power conferred on me by Section 46 (1) of the Constitution of the Cayman Islands, do hereby proclaim that a Session of the Legislative Assembly of the Cayman Islands shall be held at the Legislative Assembly Building in George Town, on the Island of Grand Cayman, beginning at 10.00 a.m., on Friday, the 16th day of February, 1996.

"Given under my hand and the Public Seal of the Cayman Islands at George Town in the Island of Grand Cayman, this 31st day of January in the year of our Lord, One Thousand Nine Hundred and Ninety-six in the Forty-fourth year of the Reign of Her Majesty Queen Elizabeth II.

God Save the Queen."

The Speaker: The Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, I propose that this Honourable House do rise to await His Excellency the Governor and re-assemble on his arrival to receive a gracious message from the Throne.

The Speaker: The question before the House is that the House do now rise to await the arrival of His Excellency the Governor and to receive a gracious message from the Throne.

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

AYES.

The Speaker: The Ayes have it. The House is accordingly suspended.

AGREED: THAT THIS HOUSE DO RISE TO AWAIT HIS EXCELLENCY THE GOVERNOR AND RE-ASSEMBLE, ON HIS ARRIVAL TO RECEIVE A GRACIOUS MESSAGE FROM THE THRONE.

THE HOUSE SUSPENDED AT 9.50 AM

ARRIVAL OF HIS EXCELLENCY THE GOVERNOR

The Governor's ADC gave three knocks on the door.

Procession:

Serjeant-at-Arms

The Speaker

His Excellency the Governor

Mrs Owen

The ADC

The Clerk of the Legislative Assembly

The Deputy Clerk

The Serjeant-at-Arms: His Excellency the Governor.

The Speaker: Your Excellency, I have pleasure in inviting you to address the Honourable House.

**THE THRONE SPEECH
DELIVERED BY HIS EXCELLENCY THE GOVERNOR
MR. JOHN OWEN, MBE**

Madam Speaker and Honourable Members of the Legislative Assembly, it is with great honour and humility that I present my first speech from the Throne.

Cayman is a major player in international finance and a premier destination for tourism. Financial Services and Tourism are the engines which drive our economy and generate our wealth. Other Countries are now trying to emulate our success.

Such success comes with international responsibilities. During the Cuban migrant crisis the government and the people of these islands showed the world that Cayman, at considerable cost, accepted and discharged its responsibilities under international agreements. We also have a responsibility to safeguard

our unique marine environment not only for our children but for the children of the world. Our responsibilities to the international community in the fight against drug trafficking, and money laundering are fully recognized by this government. In the context of our financial services industry your Governments aim is to maintain these islands as a quality destination for quality money.

The responsibilities of success do not only rest on the shoulders of government. We all have responsibilities. Twenty years ago a visitor wrote that these islands had 'a continuous tradition of forthright sturdy individualism together with habits of self discipline and self reliance born of sea faring'. The history of the islands is full of stories that reflect the independent nature of the people of Cayman. These were people who were strong and self reliant - and proud of it.

As Cayman progresses and patterns itself more and more on the life-styles and attitudes of more developed countries, we must not forget that this nation's success was founded on your forefathers' sense of duty to their community, their civic pride and their self sufficiency.

In a nation state, government has a duty to the citizens. It has a duty to provide the services to maintain law and order, ensure care for all and offer education and training for the people. Teachers, nurses, police officers and other civil servants provide the services for the community. But they alone cannot educate your child, care for your sick or elderly or maintain the discipline needed for a well ordered society. Our forefathers shared in these duties knowing that they had a responsibility for the good of their families and their communities.

Government also has a duty to manage and deliver services to its citizens in the most cost-effective and efficient way. With this in mind, during 1996, I will be reviewing all areas of Government services.

As the Legislative Assembly convenes today to make laws and policies to further the progress of this nation let us not forget that while Government has a responsibility to the people we also have a responsibility to ourselves, our families and the communities in which we live. Government alone cannot safeguard the future of these islands. We must all take responsibility for that task.

Let me now proceed to report on the activities and intentions of the various Ministries, portfolios and departments.

THE JUDICIARY

Work on improving the facilities and procedures of the Court will continue. A consultant in Court Administration will work there for several months in 1996. The need to enhance Court related administrative procedures have been recognized, both by the Courts themselves and by a resolution of this Honourable House.

Rented accommodation to relieve immediate pressure at the Court building, and to enable planning for the longer term has been found. Negotiations with the prospective landlord are proceeding.

A good response has been received to press advertisements for a puisne judge following the departure of Mr. Justice Schofield to take up duties as Chief Justice of Gibraltar. Interviews will take place next month.

THE PORTFOUO OF INTERNAL AND EXTERNAL AFFAIRS

A Committee, under the Chairmanship of the Chief Secretary, has begun a review of the General Orders and Public Service Commission Regulations. The exercise is a challenging one, but is equally of extreme importance to the future well-

being of the public service. The exercise is scheduled to be completed later this year.

A major exercise of evaluating all jobs in the public service has been going on for the past few years. It will be completed shortly. Following a period during which appeals can be made the results of the exercise will be implemented, most likely as part of the next scheduled salary award in 1 January 1997. At the same time the existing staff appraisal system will be revised with the objective of moving toward a system which will link performance and pay.

THE ROYAL CAYMAN ISLANDS POLICE

In 1996 the programme to civilianise some non-operational police posts will continue. As a result more police officers will be deployed to operational duty.

The continuing replacement of old and unreliable vehicles and equipment will allow the Police to provide a more effective service.

Whilst efforts will continue to attract well-educated and better qualified Caymanian recruits to the Police Service, it will be necessary in 1996 to continue short-term secondments of constables from the United Kingdom.

The Royal Cayman Islands Police will strive to improve and develop community relations in order to enhance public confidence. A schools liaison

THE PRISON DEPARTMENT

The Prison Department will continue to maintain a high standard of discipline among staff and inmates. Security will be carefully maintained, and staff and inmates' training and welfare programmes will remain high priorities.

A sentence planning programme for each prisoner will start shortly. This is aimed at improving their chances for a more positive future on release towards which objective all inmates will be given meaningful work and activities.

Counselling, including drugs counselling, will continue on a larger scale.

THE DEPARTMENT OF IMMIGRATION

In 1995 the Immigration Department was preoccupied with the Cuban migrant problem which was resolved in November with the involuntary repatriation of the last of the Cuban migrants. Under an agreement between the governments of the United States, Cuba, Britain and the Cayman Islands all future Cuban migrant arrivals deemed to be economic migrants under the terms of the 1951 Vienna Convention on Refugees and UNHCR guidelines will be repatriated to Cuba. I am determined that these islands will not be a stopping place nor a haven for economic migrants.

After the completion in 1995 of the consolidation and amendment of the Immigration Directions, which are the policy instruments for Government in immigration matters, the focus of attention in 1996 will be the Immigration Board procedures and training in the department to address the needs of new recruits, senior staff and customer service standards.

INFORMATION AND BROADCASTING DEPARTMENT

On 1 February, the functions of information and broadcasting were separated. The Department of Broadcasting will retain responsibility for the operation and management of Radio Cayman which will celebrate its twentieth anniversary this year; Government Information Services which will operate as a unit

under the Portfolio of Internal & External Affairs plans to launch an information television programme in 1996.

DISTRICT ADMINISTRATION

I am concerned about the imbalance between the level of economic activity on Cayman Brac and Little Cayman as compared with that on Grand Cayman. This is why I took the decision to hold an ExCo meeting on Cayman Brac, the first in 25 years. I shall hold a further meeting there in 1996. I am equally impressed by the commitment of the Sister Islands residents to address the situation. There is much potential in the Sister Islands and Government will continue to work with the citizens of the islands to stimulate a level of economic activity appropriate to sustain the population and arrest emigration.

Cayman Brac:

Cayman Brac still has not seen positive economic growth. Government's contribution is still largely responsible for keeping the local work force employed.

Conservative growth is being recorded for visitors. Diving remains the number one attraction for those who come. An article in a recent issue of an American climbing magazine featured Cayman Brac as an attractive rock climbing destination. The advantages of promoting climbing activities on the Bluff will be carefully considered, and the necessary steps will be taken to ensure that it is not detrimental to the Bluff's natural beauty.

Little Cayman:

Little Cayman has seen rapid development over the past two years. This trend is set to continue into 1996. Consequently and to address the concern that too much is happening too fast, Government in consultation with the people of Little Cayman will embark on a planning exercise to monitor and control the development of this island.

Tourism shows healthy growth with major facilities recording good bookings for 1996. Several condominium projects are nearing completion and will be available early 1996. Southern Cross Club has upgraded all its facilities which will be available to the public in general. A Police Officer is on full time duty for the first time.

Projects for 1996:

Marine facilities will be upgraded by widening the West End channel access in Cayman Brac and providing a boat launching ramp at Point of Sand's jetty in Little Cayman. Land was recently purchased to enable the improvement of facilities at both the Primary Schools and High School.

Spot Bay's cemetery wall will be completed to improve protection from heavy seas. A new Sub-Post Office is proposed for West End, with upgrades to other Sub-Post Offices. Phase II of the multi-purpose building in Little Cayman will be completed and the Public Works Department compound will be relocated from Blossom Village to a site near the multi purpose building.

Housing facilities for Government workers on Little Cayman will be up-graded. Office accommodation will be provided for the Police, including a holding cell for detainees.

PERSONNEL TRAINING, MANAGEMENT AND COMPUTER SERVICES

During 1996 the Personnel and Training Department will provide management development programmes, implement a new grading structure and review the performance appraisal system.

Computer Services will implement several new or replacement computer systems in some Government Departments.

A new computer system to assist in the administration of financial and human resources is being developed. The project, guided by a steering committee chaired by the Accountant General, is expected to be completed soon.

THE LEGISLATIVE ASSEMBLY

The Legislative Assembly sat for a total 44 days in 1995 during which various Select and Standing Committees tabled Interim Reports on their activities throughout the year.

Five Select Committees are continuing their deliberation with the view of presenting their final reports before the House is dissolved later this year. These committees are reviewing, respectively, the fundamental rights clause of the Constitution, the introduction of a register of interests for the Legislative Assembly and a code of ethics and conduct for legislators, the Sunday Trading Law, the Gambling Law, and the control of local businesses.

The Standing House Committee, the Standing Business Committee and the Public Accounts Committee remain very active and have presented their reports on a regular basis.

New efficiency measures will continue to be applied to the editing of Hansard reports.

THE CAYMAN ISLANDS GOVERNMENT OFFICE IN THE UNITED KINGDOM

The promotional and recruitment activities of the London Office have been improved by the location and quality of its new offices. A branch of the Shipping Registry will be established there early this year.

ELECTIONS

I was most impressed with the professional manner in which the recent by-election in Bodden Town was managed. I commend the Supervisor of Elections and all his able staff. With general elections scheduled for this year, I recognize that the scale of the responsibility will be substantially multiplied but I look forward to the same quality of performance.

The Elections Office will be embarking on the compilation of the 1996 register of voters starting on Monday, March 11th, and as in the past, will be obtaining information by a house to house enquiry.

THE PORTFOUO OF LEGAL ADMINISTRATION

The Law School

The present academic year is encouraging with twenty eight new students enrolled, and an overall enrollment of fifty four.

Legislative Drafting

The Legislative Drafting Department dealt with sixty five pieces of primary and subsidiary legislation and orders in 1995 and expects an equally busy year in 1996.

THE PORTFOUO OF FINANCE AND DEVELOPMENT

In 1996 the Portfolio of Finance and Development proposes to review and revise the Public Finance and Audit Law, and Financial & Stores Regulations, establish the Cayman Is-

lands Stock Exchange and an Integrated Financial and Manpower Information System.

THE CUSTOMS DEPARTMENT

1996 will prove to be another busy year for the Customs Department starting with improvements to the Customs entry processing system, followed by comprehensive reviews into procedures relating to inter-island traffic, warehousing controls, in-land Customs controls and the Customs legislation. Training will also play a large part in the success of the Department and, with assistance from the Caribbean Customs Law Enforcement Council, a basic Customs course is planned to coincide with a review of future training needs.

THE GENERAL REGISTRY AND SHIPPING DEPARTMENT

New computer technology designed to enhance the efficiency of company registration procedure will be available to the private sector in 1996. Company Managers will then be able to access options such as to check and reserve company names, order certificates on-line, and ascertain the local representatives of the companies on the register.

As a result of the islands reputation as a responsible registry becoming more widely known a 25 percent growth in shipping registrations is projected for 1996.

THE ECONOMICS & STATISTICS OFFICE

The Economics & Statistics Office is currently preparing to conduct National Accounts and Balance of Payments surveys early in the year. Both of these surveys will provide background information for an in-depth look at the impact of Tourism in the Cayman Islands. During the year the office will also assist in preparing data relating to gender issues.

THE BUDGET AND MANAGEMENT UNIT & INTERNAL AUDIT UNIT

In 1996 the Unit plans to further streamline budget procedures and computerise the authorization and issuing of warrants. The decentralization of selected central votes for the 1997 Budget to give more accountability to controlling officers will be pursued. Major reviews of the Legal Department, Economics & Statistics Office and Financial Services Supervision Department are planned.

The primary goal for the Internal Audit Unit (IAU) for 1996 is to strengthen internal controls in major government systems to ensure that revenue and expenditure are accounted for correctly, in a timely manner and in accordance with the Public Finance and Audit Law and the Financial and Stores Regulations.

THE CURRENCY BOARD AND PENSIONS BOARD

As 1996 marks the 25th Anniversary of the Cayman Islands Currency Board, a comprehensive review of the existing legislation will take place so as to ensure that the law meets the increasing needs of the Banking Sector. The Board will be committed to managing a Production Plan which will include the printing of new banknotes incorporating the latest security technology. In 1996 the Board plans to implement an automated multi-currency accounting system contract for an actuarial assessment of the Pensions Fund and to provide an information booklet/handbook on the Public Service Pension Plan.

FINANCIAL SERVICES SUPERVISION DEPARTMENT

Efforts are under way to carefully select a suitable replacement for the Inspector of Financial Services who will shortly leave the public service.

THE TREASURY DEPARTMENT

In 1996, the Treasury proposes to improve its accounting system and introduce a computerised procedure for reconciling bank accounts to the Treasury records. The Department also plans to refine the system of forecasting the Government's financial position, particularly with regard to revenue collection, and to set

up a centralized Debt Collection Unit within the Treasury.

THE MINISTRY OF TOURISM, AVIATION AND COMMERCE

The Ministry will continue to oversee the development of a number of projects namely:

Botanic Park

Several new features at the Botanic Park are scheduled to become open to the public in 1996. Chief among these are the Visitor's Centre, the Heritage Garden, the Floral Garden, and the Lake.

Pedro St. James

The restoration of the building will be completed next year, along with landscaping, outbuildings, walls and gardens.

Modern support facilities are being developed separately as part of a visitor centre. The two-year project will include a multi-media theatre, restaurant, a resource centre and gift shop. Boatswain Bay School House Restoration Government has provided financial assistance for the restoration of the Boatswain Bay School House by way of a grant of \$80,000 to the National Trust. The restored building will be used by the district to display local arts and crafts.

West Bay Public Beach Facility

In 1996 cabanas and rest room facilities will be constructed at the public beach in West Bay for the benefit of the public.

FIRE DEPARTMENT

A new Emergency Operations Centre (E.O.C.), specializing in coordinating, command and control of hurricanes and other natural and man made disasters, should become operational during the early months of the 1996 Hurricane Season.

The year 1996 should see the introduction of a Fire Code which is complementary and necessary to the Building Code passed into Law during 1995. The code to be introduced has been used by the department for many years as guidance on standard requirements.

An extensive training programme will commence in early 1996.

PORT AUTHORITY

The Port Authority will be taking delivery of a container crane in 1996.

A system of permanent moorings for the George Town harbour is planned to be initiated during the year.

The Authority has submitted a plan to the Planning Authority for approval in principle for the construction of a third landing for cruise passengers. A jetty is also planned in this development to accommodate the Watersports industries activities in catering to cruise ship passengers.

TOURISM DEPARTMENT

Efforts in the year ahead, will build on those of 1995 with the introduction of the Tourism Development programme, which will address issues such as improvements to the Hotel Licensing System and training and development initiatives within the sector. A series of public awareness activities will also be held through the year.

During the first quarter of this year, work will be completed on automating the Department's offices world-wide. This will allow for a much more proactive and efficient operation.

Overseas marketing and promotions will continue to maintain its aggressive pace. Emphasis will be placed on maintaining the islands' share of Caribbean tourism, in the face of increasing competition not only from within the region, but from the rest of the world.

CIVIL AVIATION AUTHORITY

Expansion to the Customs Hall, Arrival Immigration Hall and the Departure Lounge at Owen Roberts International Airport will be undertaken in early 1996. These alterations and additions are necessary to accommodate the safe and efficient movement of passengers and baggage. Following the conclusion of feasibility studies regarding the development of an airport in Little Cayman it is expected that this project will begin in 1996 as it is vital to the safety of aircraft operations on that island.

THE MINISTRY OF HEALTH, DRUG ABUSE PREVENTION AND REHABIUTATION

In 1995 the Ministry of Health, Drug Abuse Prevention and Rehabilitation laid the foundations for the achievement of major objectives in 1996.

HEALTH INSURANCE

After taking into consideration feedback from the community on the Draft for Discussion of a Bill for a Law Relating to the Provision of Health Insurance every effort will be made to present to the Legislative Assembly for approval in 1996, a Revised Bill along with Health Insurance Regulations.

HEALTH SERVICES

New and Improved Facilities

The design plan for the Cayman Islands Health Services Complex has been completed. The project is now out to tender to select a contractor for the construction of the facilities. Construction will begin in the first quarter of 1996 and will continue for the next two years.

Part of this project, a 10,000 square foot materials storage building, is nearing completion on the present hospital site. It will be operational by June 1996. As a result, Government will realize savings on rented space and the Health Services Department will benefit from having immediate access to supplies stored in a secure, hurricane proof facility.

Government is committed to providing new health centres in each district and the first of these, the

Nurse Jessie Ritch Memorial Health Centre in Bodden Town, was officially opened in October 1995. Construction on the West Bay District Health Centre is scheduled to commence in the first quarter of 1996. Plans are also in progress for the design and construction of district health centres in North Side and East End.

Strategic Plan for Health

The Strategic Planning exercise for the Health Services Department has been invaluable in charting the future for the best possible health care system that the Cayman Islands can afford. Following approval of the Plan by Executive Council, it will be tabled in the Legislative Assembly in March 1996, with full implementation beginning subsequently.

Hospital Services

Two million four hundred thousand dollars (\$2.4M), was approved in the 1996 Budget for the purchase of medical equipment. The procurement of this equipment will significantly strengthen the provision of medical care to patients and will enhance the diagnostic capabilities of the Health Services Department.

Public Health Services

A National Plan for Workers' Health in the Cayman Islands will be developed in 1996. As a component of this proposed plan a programme entitled "Working for Health" will be initiated to encourage healthier life-styles, along with other health promotion activities and programmes.

Mental Health Services

In 1996 a consultant will conduct a review of the Mental Health Programme, with a view to improving existing services and identifying areas where expansion of the present programme is required to meet the growing needs of those patients with mental health problems.

Fees Collection

In 1996 the Health Services Accountant will focus on the problems of outstanding accounts for both domestic and overseas medical treatment.

DRUG ABUSE PREVENTION AND REHABIUTATION

During 1996 a National Drug Secretariat will be set up to co-ordinate implementation and monitor activities of the drug strategic plan.

A public information programme on the dangers of drug and alcohol abuse funded by US\$45,000.00 assigned by the U.K. Government for drug demand reduction initiatives will be undertaken in liaison with the United Nations International Drug Control Programme (UNIDCP).

The need for local drug rehabilitation was reinforced in the Drug Plan. To this end planning approval for the renovation of existing buildings on land owned by Government at Breakers is presently being sought and it is anticipated that this work should be completed around mid-year.

CAYMAN COUNSELLING CENTRE

In addition to the routine out-patient programmes, the following new programmes instituted last year will continue in 1996. These are adolescent programmes serving the school

system and the community: Cayman Islands Marine Institute; a training programme providing an overview of drug addiction issues for nursing students; and a full-day programme of group and individual therapy for inmates at Northward Prison.

In 1996 there will be expansion of the programme at Northward Prison from one day per week to five days per week and the adolescent programme will be increased from two days per week to three days per week. The training programme for student nurses will expand during the year to include training for other health professionals and personnel officers.

The opening of a full-time out-patient programme for the Sister Islands on Cayman Brac last year set the precedent for another objective of this Unit for 1996, which is that satellite programmes will be provided in the districts. Detoxification procedures at the George Town and Faith Hospitals will be further streamlined by the end of 1996.

THE MINISTRY OF EDUCATION AND PLANNING

The review of the first year of implementation of the Five Year Strategic Plan for the Development of Education in these islands will take place in April 1996. The Chief Inspector of schools has been appointed, and will take up his appointment in April. He will be joined by two Senior Inspectors, appointed from the teaching service. The School Inspectorate will then begin an audit of all government schools to set the baseline of standards needed before individual inspections of schools and programmes can commence.

Three schools will complete their site-based planning, by which the national plan is translated into an individualized programme of work for their school. Three more schools will begin their site-based planning exercise. All government schools are required to complete their site-based planning exercise prior to 1999.

Work on the National Curriculum will continue with teachers working in subject teams under the guidance of a curriculum planner. By September 1996 parts of the National Curricula will be tested in primary schools.

New administrative guidelines for the allocation of pre-school grants will be implemented in time for the new academic year. Registration procedures for school entry are being revised, to make the process easier and to involve school Principals in registration at the school sites.

A comprehensive forward planning policy to encompass the development of a new primary school in the West Bay area, and expansion of the Savannah Primary to a two-stream school will be developed. The design of a new Lighthouse School on a new site will be completed.

A policy to strengthen and expand the use of information technology at all levels of the system, including the use of the Internet, will be accepted and in use. Access to appropriate software will be increased, and staff training in the use of computers in education will be intensified.

The capital works programme will continue. A new Teachers Centre will be built on Cayman Brac, as well as an infant block at the Creek Primary School. The building programme at the Red Bay Primary School will continue with the addition of a multi-purpose hall. A sewerage treatment plant to serve government schools on Walkers Road, as well as the Community College and the Truman Bodden Sports Complex will be built as a matter of priority.

The Community College will begin offering the Associates Degree in fifteen areas. A new library and media centre at the College will begin this year. The College will also develop articulation agreements with agreed institutions in the region and the United States which will make it possible for our students to complete the first two years of their college programme

locally, and then transfer to accredited colleges and universities to complete their undergraduate degree.

Government will continue to assist private schools in their capital development projects to ensure that the numbers of school places at both primary and secondary levels are increased.

The Education Council will be revising its guidelines for scholarships to take into consideration the Guaranteed Student Loan Scheme, and the new offerings at the Community College. Additional support and advice for students intending to study overseas will be offered through annual seminars delivered during February and March which will make the college application process easier and more reasonable for parents and students. These seminars will also be offered on Cayman Brac.

PLANNING

The Department continues to offer workshops and seminars to familiarize the construction industry with the Building Code. A pamphlet on Guidelines for Planning will be published by the Central Planning Authority. The three special tribunals set up to deal with objections to the revised Development Plan will complete their work.

The computerised tracking system used with planning applications will be further refined, and the objective of ensuring that such applications are dealt with in a speedy and efficient manner will be met.

The Ministry will continue to meet with representatives of the construction industry to deal with their concerns and to work towards a Constructors Law to insure that high building and professional standards are maintained in the industry.

CAYMAN AIRWAYS

The Board of Directors of Cayman Airways Limited will begin a strategic planning exercise for the company. This will allow employees at every level of the industry to have input in planning for the next century. The exercise started in January with awareness sessions for staff in Grand Cayman and Miami. The Board has also decided to try and attract young Caymanian graduates as trainees in various departments.

With the addition of the Orlando route, the future of the airline is looking better. Government's recapitalisation of the airline as well as the annual subsidy has enabled the airline to retain a good credit rating in the industry. For its part, government is exploring the possibility of purchasing a second 737-2C0 series aircraft to complement the first jet, which is leased to Cayman Airways through Cayman Aviation Leasing Ltd. a wholly government owned company.

THE MINISTRY OF AGRICULTURE, ENVIRONMENT, COMMUNICATIONS AND WORKS

DEPARTMENT OF AGRICULTURE

Capital projects will continue in 1996. These include the start-up of the construction of a Government slaughter facility by August 1996, commencement of on-site works for the Department's new offices at Lower Valley and the construction of an alternative access road to the growing agricultural complex at the Lower Valley farm.

In 1996 two national training courses for farmers will be conducted. The courses will deal with livestock nutrition, post-harvest handling and marketing of crops.

A Plant Propagation Policy will be implemented this year. This will provide for the services of a plant propagator and

propagation material for improving traditional and non-traditional fruit-tree crops.

This year, the department will give high priority to its continuing programme to educate consumers about the quality and value of locally produced foods. Approved projects will stimulate greater efficiency in food production, more food security, and better health for residents through the availability of fresh foods with high nutritional value.

LANDS & SURVEY

Increased revenue is being collected because of the buoyant Cayman Islands Real Estate market. Government activities related to land and its developments also reveal an increasing upward trend. Paper is gradually being replaced with electronic storage. This contributes to the Department's success in continuing to meet the demands placed upon it.

TELECOMMUNICATIONS

The Telecommunications Section of the Ministry is being strengthened with the addition of technical and administrative staff. A new Telecommunications Centre is being located at the former Caribbean Basin Radar Network site at the airport. This purpose built facility will provide a permanent home for operations and maintenance support to the Government radio communication and paging networks, the new 9-1-1 centre and the broadcasting equipment of Radio Cayman.

The Sister Islands will benefit in 1996 as the new communications tower project is completed. The new 200 foot high self-supporting structure is designed to withstand hurricane force winds of 200 miles per hour. Improved radio communication throughout Cayman Brac and Little Cayman will enhance the emergency services and other Government departments.

ENHANCED 9-1-1 EMERGENCY COMMUNICATION SYSTEM

This Ministry has embarked on the implementation of an Enhanced 9-1-1 Emergency Communications System with the hiring of an E-9-1-1 project manager. Upon completion of the street naming and numbering, E-9-1-1 will be launched on Grand Cayman starting in September.

POST OFFICE

The Post Office will continue to improve its operations and services to customers. Particular attention will be given to both private and public sector businesses whose large volume of mail requires special attention. The International Express Service has been a success and the service will be expanded beyond the 130 countries now being serviced. With an emphasis on service to customers, postal staff will be provided with continuous training to ensure that the best possible service is rendered.

DEPARTMENT OF ENVIRONMENT

This year, the Department of Environment celebrates two significant milestones. It is the tenth anniversary of the Marine Parks system, and the 30th anniversary of Mosquito, Research and Control Unit. Commemorative events are being planned for both anniversaries.

During this year, the Department of Environment, will undertake a full-scale review of its working legislation, will im-

prove revenue-collection procedures, and will move into the departments new building.

The Environmental Health section will continue to improve its recycling programme for aluminium, waste paper and used batteries in Grand Cayman. This programme will be extended to the Sister Islands.

The construction of a new sanitary landfill on Cayman Brac will begin this year. And this section will also be introducing a programme to monitor occupational health.

The MRCU will undertake a review of the methods used to control the mosquito population, with a view to improving existing techniques and introducing environmentally acceptable new techniques where feasible.

The unit will strengthen its inspection programme to more accurately identify and map mosquito breeding sites. This will enable control techniques to be designed for maximum efficiency.

Field and laboratory research on insecticide resistance will also be done so that an efficient resistance management strategy can be developed.

Protection & Conservation Unit

The Protection & Conservation Unit will implement a coral reef monitoring programme in the Sister Islands. The unit will also begin to assess the carrying capacity for dive sites in all three islands.

The Marine Parks Management Plan will be completed this year and the unit will research natural conch replenishment patterns. The potential for whelk culture and restocking in selected areas will also be researched.

The main attraction of these islands for tourists is our marine environment and pristine beaches. I have often heard it said that Cayman's greatest beauty lies below the surface. We must safeguard our marine environment. Not only because it is the main attraction for tourist but because we hold it in trust for future generations. But the marine environment is a fragile one. What takes nature hundreds of years to build can be destroyed or damaged in minutes.

With much attention being given today to environmental concerns the world over our own efforts in marine conservation are becoming more and more important. This year is the Tenth Anniversary of the introduction of the Marine Conservation Law. The celebrations to mark the creation of the marine parks will involve a public awareness programme. This will give us all an opportunity to become educated about concerns over our marine environment and the solutions needed to ensure that this underwater treasure is safeguarded for future generations. But this is not only the responsibility of the conservationists and government. We need to help. If only that we should know the conservation rules, follow them and set a good example for those around us.

Executive Council has decided that there shall be no further dredging in the North Sound, except for an approval granted to Caymarl Ltd. to excavate the balance of material (784,100 cubic yards) that remained under a licence granted in 1988 for the dredging of 2 million yards of material from the borrow pit offshore the marl pit, just north of the George Town Barcadere. In addition, to further the final upgrading of the George Town Barcadere the Government will also consider an application from Simmons Enterprises for the excavation of 122,200 cubic yards which will complete the dredging of the basin at this location, to facilitate an increased amount of vessel traffic and usage.

PUBLIC WORKS DEPARTMENT

In 1996 the Department will continue to provide project management, architectural, quantity surveying and construction supervision to government departments and authorities. The department will continue to emphasize hurricane resistant, low maintenance and quality construction.

The Building Maintenance Unit will continue to service and implement various improvement programmes related to school buildings, government office buildings, staff houses, recreational facilities, and other buildings during the year.

Road maintenance will focus on the backlog of road surfaces that are at, or near, the end of their original service life.

In new road construction, design and survey work has commenced on the Harquail Bypass and preliminary plans are being prepared for the Crewe Road Bypass. Work on the Harquail Bypass will begin during the second quarter of this year on a Finance and Build" package that will be negotiated jointly between the Ministry, the Public Works Department and a consortium of local contractors which will be chosen as a result of an invitation to tender which will be published shortly. There continues to be a shortage of marl which will have an impact on road construction.

THE MINISTRY OF COMMUNITY DEVELOPMENT, SPORTS, WOMENS' AND YOUTH AFFAIRS AND CULTURE

1996 OBJECTIVES:

In 1996 the Ministry is poised to continue and build on its achievements and initiatives in 1995.

SOCIAL SERVICES

In 1996, the Social Services Department will continue to intervene in particular cases of need. It will also work with other public and private sector agencies and individuals to help dysfunctional individuals and families so that they can be given the support they need to become productive citizens.

The Department will continue to identify trends within the community and to recommend solutions for improvements. It will continue to coordinate the work of the various agencies including the Community Development Workers and the District Community Development Action Committee groups.

The Department will play a major role in analyzing the findings of the Family Study. It will also have an important role in implementing the accepted recommendations. In the Crime Survey, which may be undertaken after the Family Study is completed, the department will play a similar role.

There are plans to develop a National Youth Band this year so as to introduce orchestral music to the community. These will be established along with a comprehensive youth development policy and accompanying programmes.

The department intends to coordinate the provision of proper Adult Day Care Centers in West Bay and Bodden Town.

This year the department plans to use more external resources while ensuring that departmental resources can be efficiently used to meet demand. To this end, the department will be restructured to ensure greater efficiency and better use of resources.

A Discussion draft of a proposed National Pensions Law by the National Pensions Plan Advisory Committee will be presented to Executive Council. It is expected that a National Pensions Bill will be presented to the Legislative Assembly by mid-year. While the legislation is expected to come into effect in late 1996, there will be a moratorium of six months before it will begin to be enforced.

SPORTS

The sports office will continue to oversee the management and maintenance of Cayman's new and upgraded sports facilities. In order to support the continued development of sports, the Sports Office will work with the sporting associations, District Sports Councils, Technical Directors, local Coaches and other agencies in the public and private sectors.

Work will continue on the Cayman Islands Cricket Oval in West Bay, as well as playing fields in Bodden Town and Breakers. Facilities in Old Man Bay (North Side) will also be improved. Improvements to the pool and the seating at the Lions Aquatic Center are also planned; and additional practice fields and parks will be provided or improved as funds allow. Work will continue on the planning and site works at the National Sports and Recreation Centre in Spotts with the park being built by Johnson & Higgins being completed this year.

The Ministry plans to spearhead the development of a revised sports development policy this year. A schedule of organized summer camps will be established.

The Ministry will encourage greater cooperation with educational institutions so that a comprehensive Physical Education and Sports curriculum can be offered. A national Sports Foundation Law will be proposed.

WOMEN'S AFFAIRS

The legislation for an Office of Women's Affairs was passed in the Legislative Assembly of the Cayman Islands in January, 1995. Since the recruitment of a liaison officer for Women's Affairs in October 1995 the development of the Ministry's activities concerning Women's Affairs has been steadily progressing towards the establishment of an Office of Women's Affairs for the Cayman Islands.

The Ministry has hired a consultant on Women's Affairs for the period March 4th to 10th. The consultant will work with the Ministry and the Steering Committee on Women's Affairs and with a gathering of women's groups. The consultancy will cover the observance of International Women's Day on the 8th March. The purpose of inviting the consultant is to provide, through her experience and expertise, the initial guidance and advice that the Ministry and the Steering Committee need in order to establish a firm structural outline for an office for women's affairs.

CULTURE

(National Museum, Cultural Foundation, Library, & Archives)

The National Museum will improve its facilities so as to continue to offer displays and exhibits which reflect on Cayman's cultural history. Publication of a souvenir visitors' guide, and a book about the "Wreck of the Ten Sails" are planned for 1996.

The National Cultural Foundation will play a pivotal role in spearheading the 1st annual Cayfest to be held in July of this year.

This year the Government intends to renovate and convert the Town Halls in West Bay, East End, and North Side into district Libraries. The National Library will also promote after-school and vacation Library programmes for school children, as well as promoting the use of Library services by teachers and students.

The National Archive intends to work closely with educational institutions to put in place a social studies curriculum for both primary and secondary schools and identify which literature and documents from the Archive can be condensed and

used in schools. Work on the publication of a new history of the Cayman Islands is to start in 1996.

ART DEVELOPMENT

A task force made up of representatives from the Museum, Cultural Foundation, Visual Arts Society and private and public sector headed by Mrs Carol Owen is being set up to advise the Government on the feasibility of building a National Art Gallery whose function will include the development of contemporary Caymanian painting and educating children and adults in its art in schools.

LABOUR/HUMAN RESOURCES

Following the passage of the Labour (Amendment) LAW, 1995, the Department will continue its pro-active role in fostering good labour relations through promoting increased awareness of the labour legislation as well as promoting sensitivity towards employees as part of the employer and employee relationship. The department will be coordinating the work of the new Labour Relations Board and the Labour Tribunals.

The Department will assist with the implementation and stewardship of the manpower development strategy. This includes apprenticeship schemes, and support services such as : job training and re-training, job referral and placement, and preparing entry-level and lesser-ability workers for the work place.

The Department will continue to assist with the work of the Minimum Wage Advisory Committee, as well as the Advisory Committee for the Review of the Workmen's Compensation Law.

HOUSING DEVELOPMENT CORPORATION (HDC) AND AGRICULTURE & INDUSTRIAL DEVELOPMENT BOARD (AIDB): H.D.C

In 1996 the H.D.C. is expected to play a greater role in the administrative arrangements and counselling/support services for the Guaranteed Home Mortgage Scheme. This scheme is enjoying a good rate of acceptance and success. At the end of 1995 approximately 70 Applications for Guarantee were approved from the 4 participating Banks. Many of the borrowers have either moved into their new homes, or the homes are still under construction.

Early in 1996 the Board of the H.D.C. expects to conclude the sale of the Mortgage Portfolio. When the Portfolio is sold to the successful bidder from Cayman's Banking Sector the terms of the Loans will remain the same as obtained under the H.D.C.

The Net Surplus from this sale will be used to support a new housing scheme for lower income Caymanian families. The Ministry has been examining various systems for affordable housing in the region. It is the intention that suitable houses will be provided for a monthly mortgage payment of between \$300.00 to \$400.00 per month.

The H.D.C. will also undertake a Survey to gather current data on the needs, issues and trends pertaining to housing in these Islands.

A.I.D.B

The Agricultural & Industrial Development Board continues to play a leading role in the administration of the new Guaranteed Student Loan Scheme. This is being seen as a progressive vehicle for human resource development.

Efforts are being made to integrate this Scheme into overall human resource planning through better collaboration with the Education Council and the Labour/Human Resource sector.

The Board is also continuing to promote lending to small Caymanian owned business ventures. Funding for these loans presently comes from a Line of Credit from the Caribbean Development Bank and efforts are underway to identify other sources of funding.

The Ministry is also examining the creation of a Small Business Development Agency. This will complement the small business loan scheme of the A. I. D. B.

WATER AUTHORITY

In 1996 the Water Authority and its Board are expected to continue to play an important role in effecting Government's policies in relation to water and sewerage utilities.

New storage and pumping facilities are presently being constructed in Lower Valley. This should improve service to the Eastern Districts. The piped water network will be extended to Breakers in 1996. The Authority will also assist with coordinating the provision of piped water to East End in 1996.

Working together with the Department of Environment, the Water Authority is continuing its efforts to find a permanent solution to the sewage disposal problems associated with live-aboard boats in the North Sound. The Authority will also continue to assist with coordinating the provision of a sewerage scheme for the greater George Town area.

CONCLUSION

Honourable Members, as I conclude my first Speech from the Throne, I should like to record my thanks and congratulations to the members and officials who provided the material to assist me in the preparation of this speech. The level and quality of work produced by the Civil Service is first class. You can be proud of them.

Finally, as you embark on the first sitting of the new Session of the Legislative Assembly, I wish you God's Blessing in your deliberations and debates. And I pray that Almighty God in his mercy and wisdom will continue to bless and guide the people of these Islands and all who serve them.

At this point, Honourable Members, I will draw your attention to this splendid lectern from which I am delivering this Throne Speech today. This lectern was made by inmates at Northward Prison. I congratulate them on its craftsmanship. It is an honour to me to be the first to use it.

DEPARTURE OF HIS EXCELLENCY THE GOVERNOR

Serjeant-at-Arms (Mace bearer)
The Speaker
His Excellency the Governor
Mrs. Owen
Chief Justice
Mrs. Harre
ADC
Minister

THE HOUSE RESUMED AT 11.06 AM

The Speaker: Please be seated.

The Honourable Minister responsible for Education and Planning.

**MOTION FOR THE DEFERRAL OF DEBATE ON THE
THRONE SPEECH**

Hon. Truman M. Bodden: I beg to move the following motion:

BE IT RESOLVED THAT this Honourable Legislative Assembly records its grateful thanks to His Excellency the Governor for the Address delivered at this Meeting;

BE IT FURTHER RESOLVED THAT debate on the Address delivered by His Excellency the Governor be deferred until Thursday, 22nd February, 1996.

The Speaker: The question before the House is that the House do record its gratitude to His Excellency the Governor, and that the debate on the Throne Speech be deferred until Thursday morning at 10 o'clock.

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

AYES.

The Speaker: The Ayes have it.

AGREED: THAT THIS HONOURABLE LEGISLATIVE ASSEMBLY RECORD ITS GRATEFUL THANKS TO HIS EXCELLENCY THE GOVERNOR FOR THE ADDRESS DEUVERED AT THIS MEERING; AND THAT THE DEBATE ON THE THRONE SPEECH BE DEFERRED UNTIL THURSDAY, 22ND FEBRUARY, 1996.

The Speaker: The Honourable Minister responsible for Education and Planning.

ADJOURNMENT

Hon. Truman M. Bodden: I move the adjournment of this Honourable House until Thursday, 22nd February, 1996.

The Speaker: The question is that this Honourable House do now adjourn until 10 o'clock Thursday morning, 22nd February.

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

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until Thursday morning at 10 o'clock.

**AT 11.08 AM THE HOUSE STOOD ADJOURNED UNTIL
10.00 AM THURSDAY, 22ND FEBRUARY, 1996.**

**EDITED
THURSDAY
22ND FEBRUARY, 1996
10.08 AM**

The Speaker: I will ask the Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture to say prayers.

PRAYERS

Hon. 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 II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated.

Order. Proceedings are resumed.

APOLOGIES

The Speaker: I have an apology from the Honourable Second Official Member who will be absent for a few days. Mr. Michael Marsden will be administered the Oath to act as the Temporary Second Official Member.

Would you please come forward, Mr. Marsden?

**ADMINISTRATION OF
OATHS OR AFFIRMATIONS**

(Oath of Affirmation Administered by the Clerk)

Mr. Michael Marsden

Mr. Michael Marsden: I, Michael Marsden, do solemnly and sincerely affirm and declare that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, her heirs and successors according to Law.

The Speaker: Please take your seat and, on behalf of the House, I welcome you.

Questions to Honourable Members/Ministers. The Second Elected Member for Cayman Brac and Little Cayman, question No. 1.

**QUESTIONS TO HONOURABLE
MEMBERS/MINISTERS**

QUESTION NO. 1

No. 1: Mr. Gilbert A. McLean asked the Minister responsible for Agriculture, Environment, Communications and Works, if Government has been approached by Cable and Wireless (Cayman Islands) Limited, to institute a new system for the installation of telephone lines in homes and businesses? If so, what does it entail?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

QUESTIONS NOS. 1, 2 AND 9 DEFERRED

Hon. John B. McLean: Thank you, Madam Speaker.

Questions 1, 2 and 9 on the Order Paper are directed to me, and I would appreciate very much if they could be set down for a later date in the Meeting, as the answers are not ready. I have already spoken to the Members concerned.

The Speaker: The question is that the answers to questions Nos. 1, 2 and 9 be deferred until a later day during the sitting.

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

AYES.

The Speaker: The Ayes have it.

AGREED. QUESTIONS NOS. 1, 2 AND 9 DEFERRED.

The Speaker: The next question is No. 3, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 3

No. 3: Mr. Gilbert A. McLean asked the Honourable Minister responsible for Health, Drug Abuse Prevention and Rehabilitation what is the criteria for being licensed as a Counsellor in the Cayman Islands, and which Law provides for such registration.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: The question does not specify which type of counsellors are being referred to. There are, for example, counsellors in the medical field, marriage and guidance counsellors, drug abuse counsellors and counsellors in the Employee Assistance 22nd February, 1996 Programme. Qualified Social Workers also do a lot of counselling, but they are not classified as counsellors.

With respect to counsellors in the medical field, the Health Practitioners Law (Law 20 of 1974) (1995 Revision) does not list counsellors as a health profession subject to the Law under Part 2, section 2 (1) of the Schedule. However, it does list 'psychology' in sub-paragraph (l).

On that basis the Health Practitioners Board has encouraged counsellors in the medical field to come forward and be registered. It should be emphasised that this is not strictly required by the 1974 Law. Two counsellors in private practice are currently registered and both are counselling psychologists.

Those in Government employment, for example psychiatric social workers, are automatically registered by virtue of their Government employment. These counsellors are vetted for registration in the same manner as other health care professionals. Their credentials and curriculum vitae are scrutinised to ensure that the skills and experience they claim are consonant with the educational background and training.

The proposed revision of the Health Practitioners Law does specifically refer to Counsellors.

SUPPLEMENTARY

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Madam Speaker, my supplementary question is basically answered in the last paragraph of the answer. I would like to enquire a bit further from the Minister if all of the counsellors as listed in the immediate top three paragraphs would be included in this revision for registration, since it does appear that counsellors and counselling have become a considerable necessity in the country.

The Speaker: The Honourable Minister for Health.

Hon. Anthony S. Eden: Yes, Madam Speaker, there will be. Under the Health Inspection recommendations which were put forward last year most of this is seriously being encouraged. The redoing of the bill is now in process and it will include this.

The Speaker: The next question is No. 4, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO.4

No. 4: Mr. Roy Bodden asked the Honourable Third Official Member responsible for Finance and Development what arrangements are in place for repayment to Government of Civil Service mortgage loans.

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: The loans are repaid according to an amortisation schedule, with interest calculated at 5 per cent per annum, calculated on monthly reducing balance. The monthly re-payment is equal throughout the period of the loan. The repayment period varies, but is usually between 12 to 15 years.

The re-payments are deducted from the monthly salary of the Civil Servant. If any Civil Servant leaves the Government Service before re-paying the loan in full, he/she is required to make payments in cash or by cheque to the Treasury on a monthly basis.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Is there a specific officer assigned to ensure that these mortgage payments are made on a regularly scheduled basis?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, that is a part of the work of the Treasury Department. It has not been assigned as yet to any specific officer.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Can the Honourable Member state whether any of these loans are in arrears at this time?

The Speaker: The Third Official Member.

Hon. George A. McCarthy: There are 13 cases of arrears at this time totalling \$162,206, of which five have been referred for debt collection. These five cases in particular are more than a year in arrears.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Member say how this situation was allowed to happen?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, this essentially comes about upon civil servants leaving the service. We have no control or access to their salaries. We take it on good faith that they will continue to make the monthly repayments, although notices are sent out to them frequently reminding them of their obligations to the Service.

I should point out, Madam Speaker, that this will be addressed more seriously under the new debt collection structure that will commence in the Treasury Department as of the 18th of March.

The Speaker: The Elected Member for North Side.

Mrs. Edna M. Moyle: Madam Speaker, could the Honourable Member tell us in what year the loans that are in arrears were made?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, that information is not available. The only dates we have are those on which the loans were last serviced.

The Speaker: The Third Elected Member for George Town.

Mrs. Bema L. Thompson Murphy: Thank you, Madam Speaker.

Can the Honourable Member tell us the procedure for applying for a loan in order for a mortgage to be taken care of?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, in the first instance a civil servant is required to be a member of the Civil Service Association. The Credit Committee of the Credit Union does the vetting in terms of determining whether the borrower meets all of the qualifications as set out in the guidelines that

have been drawn up by the Civil Service Association and agreed to with the Government.

Once this is done a recommendation is made through the Treasurer of the Management Council Association to the Financial Secretary for a loan to be approved. Normally, when this is done the civil servant must first of all qualify, and consideration is given to the security to ensure that it is adequate.

Normally, because of the fact that the loan would have been granted in the first instance to give the civil servant a start in the construction of his home, the Government puts itself in a position to accept a second mortgage over the property with the first mortgage being allowed to the institution that will be doing the primary financing.

The Speaker: The First Elected Member for Bodden Town.
Mr. Roy Bodden: Thank you, Madam Speaker.

In that kind of arrangement, can the Honourable Member say how the Government's interest is secured?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: The Government's interest is normally secured with a second mortgage being taken on the property to ensure that the borrower has adequate life insurance, so that in the event of death the proceeds will be sufficient to defray the mortgage obligation to the Government.

The Speaker: The next question is No. 5, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO.5

No. 5: Mr. Roy Bodden asked the Honourable Third Official Member for Finance and Development what the outstanding balance on personal loans made to Civil Servants is, by amount and name of borrower.

The Speaker: The Honourable Third Official Member.

DEFERMENT OF QUESTION NO.5 Standing Order 23(5)

Hon. George A. McCarthy: Madam Speaker, in accordance with Standing Order 23(5) I would like to seek the leave of this Honourable House to defer the answer to that question until Monday, 26th of February.

The Speaker: The question is that the answer to question No. 5 be deferred until Monday, the 26th of February.

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

AYES.

The Speaker: The Ayes have it.

AGREED. QUESTION NO. 5 DEFERRED.

The Speaker: The next question is No. 6, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 6

No. 6: Mr. Roy Bodden asked the Honourable Minister responsible for Education and Planning to state whether the investigation into financial irregularities in the down-town office of Cayman Airways Limited has now been completed.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, the answer:

The investigation is complete. The case is now with the Legal Department.

The Speaker: The next question is No. 7, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO.7

No. 7: Mr. D. Kurt Tibbetts asked the Honourable Member responsible for Internal and External Affairs what is the existing policy regarding placement of Civil Servants following completion of tertiary level studies.

The Speaker: The Honourable Minister for Internal and External Affairs.

Hon. James M. Ryan: Madam Speaker, the answer: The practice is for a Civil Servant to return to his substantive post. The policy is laid down in General Orders, Chapter 3, Paragraph 19 and states that: "**The Government does not commit itself to offer promotion to an officer on successful completion of any course nor will it guarantee re-employment to any Officer who has resigned during a course.**"

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Honourable Member say, in deciding on specific tertiary level studies, if the Personnel Department and/or Heads of Departments are involved in being specific regarding upward mobility of the individual within the Service?

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Thank you, Madam Speaker.

The Head of Department normally makes the recommendation to the Personnel Department (I am involved in it as well), and it goes to the Public Service Commission.

As far as upward mobility is concerned, it depends on the availability of vacancies.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you.

Notwithstanding the availability of promotional positions for the individual, if Government allows the individual time off for tertiary level studies, is it done in a synchronised fashion whereby the intention is for these studies to be applied by that individual in a specific area within the Service whether it be down line or in the immediate term?

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Thank you, Madam Speaker.

The areas of specialisation would certainly be considered and we would hope that on return the person would be re-employed in the area of his/her specialisation. Of course in some instances, for the sake of argument take the MBA which offers a fairly wide range of study, the persons may not necessarily be employed in the specific area of their studies.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you.

Are these tertiary level studies usually funded by the Government or are there many instances when civil servants simply request study leave in order to complete studies on their own?

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: These cases of tertiary studies are normally funded by Government. I believe there is one case where the person's application came in too late to be funded and that person, I think, is funding his own studies.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: This being the case, is it that Government pin-points individuals within departments (either through the Department Heads or the Personnel Department) for the tertiary level study, or is this something where individuals make requests to Government for tertiary level studies?

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Normally the Head of Department makes the recommendation for the funding. Of course, it would in all probability be started with the individual. The individual might be looking at a post down line that may not necessarily be open, but the person is looking at promotion opportunities and when the request comes in it is considered and would be funded in the following year's allocation where possible.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: This being the case, that through Heads of Departments the Government agrees to fund tertiary level studies for civil servants, is any means tests done, one that lines up the proposed study with the forward thinking of Government regarding the placement?

I hate to sound like I am prodding, but I have not gotten what I... perhaps it is partially my fault. What I am trying to determine is that notwithstanding the fact that every individual who may go off to tertiary level studies within the Service is not able to complete and come back and be placed into a position equated to those studies, what is the programme if Government agrees to these studies? What is the long term situation regarding those individuals being able to apply their newly acquired knowledge within the Service?

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Thank you, Madam Speaker.

It is hoped that whenever and wherever possible these individuals who go off normally to do second degrees, will be placed in a job in their area of specialisation. But it does not always work that way in practice. If there is no vacancy, then they have to be placed in another post and whenever the opportunity arises they will be considered for that post.

On one hand it would probably be a bit unfair to keep a young Caymanian from getting higher qualifications, but at the same time we cannot always guarantee that person will be placed in the specific area of their specialisation. Certainly wherever possible we will endeavour to do so.

The Speaker: This will be the last question. The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: When Government decides to fund tertiary education for a civil servant does the Government agree

that the person needs further education in that particular field, and is it Government's policy that the person is thereby a specialist in that field and the whole idea is for that person to be placed in that specific field within the Service?

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Thank you, Madam Speaker.

Quite often the decision to approve funding is based on the fact that it is felt that it would give the individual the necessary tools to do his/her job better. I think what has to be realised is that many people who fall in this category are in the administrative grades and are really not specialists. They report to the Chief Secretary as their Head of Department, and under the Public Service Commission Regulations they can be moved to any post within the Service.

While we try where possible to utilise their areas of specialisation, quite often it is useful for them to gain valuable experience in other areas before taking up posts in their specific areas of training.

The Speaker: The next question is No. 8, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO.8

No. 8: Mr. D. Kurt Tibbetts asked the Honourable Minister responsible for Education and Planning what are the plans, both in the short-term and long-term to alleviate the severe shortage of space which is now occurring in the Primary Schools in the district of George Town.

The Speaker: The Honourable Minister responsible for Education and Planning.

Hon. Truman M. Boddin: It is not so much a shortage of space as a rise in the number of live births which is causing the problem. After remaining constant for quite some time, the number of births in 1991 rose dramatically by almost two hundred births over 1990 (486 as opposed to 301). It is this rise in the birth rate (which we anticipate feeling the effects of in 1996) which is driving our long-term plans.

For the district of George Town, we propose to make Red Bay Primary a three form entry level school in the two infant classes only. We anticipate being able to accommodate 90 children in year one, using the new bigger classrooms and teachers' aides to assist the infant teachers. In George Town Primary we will build a block of classrooms which will enable the School to accept 90 children in year one as well.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: In the long term, if both of these Primary Schools are able to accommodate more children at the entry level, it seems obvious that as each year passes there will be more students in each successive class. I do not see mention in the answer regarding how they are going to be accommodated. Would the Minister be able to comment on that?

The Speaker: The Honourable Minister.

Hon. Truman M. Boddin: Madam Speaker, the intake of the Government Schools and also of the private schools (which take one-third of the students presently) and some expansions within both the Government and the private schools will take

into account these increases. Obviously there will have to be a follow through from year to year to deal with the children.

It makes no sense at this stage, to build a classroom for year six when it may not be filled for another four or five years from the intake at present. So it has to be something that is phased in on the basis of when the classrooms will be used.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: I referred to exactly what the Honourable Minister just said and asked specifically if as each year passes the increased number in year one will be moving up to year two, notwithstanding any private schools. Are there plans in motion to accommodate these students so that the same thing does not continue to occur each year in the various levels as time goes by?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, as the years move in to the years above, the Ministry will provide a classroom for that year. What I am stressing is that you do not go now and build a primary school with six classrooms leaving five empty. That is not what we are looking at. As each year progresses, yes, the necessary classrooms will be there to take the students.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you.

Given the increase experienced in recent years is any consideration being given to the potential increase that might continue to occur at the entry level?

The Speaker: The Honourable Minister.

Hon. Truman M. Bodden: Madam Speaker, the entry level is largely geared toward the number of births that occurred five years before. So we know for five years what it is going to be and there has been no substantial increase since 1992 (there were 520 live births, in 1993 it was 527; in 1994 it was 531). So we do not expect a proportionate increase in the next three years to the increase that we have had which has now driven this problem.

The Speaker: That concludes Question Time for today.

Statement by Members of the Government. The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

STATEMENTS BY MEMBERS/MINISTERS OF THE GOVERNMENT

EX-SERVICEMEN

Hon. W. McKeeva Bush: Madam Speaker, this statement is being made with the hope of clearing up any misunderstanding or doubt in regard to the handling of the financial assistance to the ex-servicemen managed by my Ministry.

The decision to grant financial assistance to Caymanian ex-servicemen was approved in the Legislative Assembly on the 16th of June, 1994, stemming from a

Private Member's Motion (No. 15/94) moved by the late Mr. G. Haig Bodden. Much talk has surrounded this issue for many years but no initiative was ever taken.

In the debate on this Motion, some Members confirmed their desire to see Government address the matter of any financial assistance in a broad manner, covering all ex-servicemen. With these points in mind, Executive Council began by using the terminology 'Caymanian ex-servicemen' in its guidelines to my Ministry and recommended that the Ministry add other criteria as felt necessary, which was also to be re-submitted to Executive Council for ratification.

The complete guidelines to date are as follows:

a) Only Caymanian ex-servicemen or their widows are eligible.

(i) Caymanian: The ex-serviceman would have to be Caymanian or to have had Caymanian status at the time of qualifying service.

(ii) Qualifying service means having served in the armed forces of a country during war time. This should be limited to service during WWI and WWII, the Trinidad Royal Navy Voluntary Reserve, the Home Guard, the Royal Fleet Auxiliary Supply, the Armed Forces of Great Britain during one of the above wars and the Merchant Marines during one of the above wars.

(iii) The war zone must be specified in all applications.

'War zone' means any of the following: seas in the vicinity of a war or areas specified under section (a)(ii); the North Atlantic extending as far down as the eastern Caribbean; the Gulf of Mexico; the Caribbean Sea; the Pacific Ocean including the seas around Southeast Asia; the Indian Ocean; the Middle Eastern Gulf and the Mediterranean Sea.

(iv) Widows of ex-servicemen: A woman who was married to an ex-serviceman or who was his common-law wife at the time of his death. Divorcees are not eligible.

(v) (a) Merchant Marine means a person who was a seaman operating in one of the above war zones.

(b) Ex-servicemen dishonourably charged are not eligible.

(c) Persons who are not on the approved list but who wish to be included to receive assistance should provide one or more of the following as proof of service:

i) discharge papers;

- ii) sworn affidavits from two veterans who served with the applicant or who are aware of the service; or
 - iii) other documentary evidence of qualifying service. For example, medals and awards.
- (d) A deadline of December 31st, 1996 has been set as the final day for the receipt of applications for persons to be included in the list.
- (e) Identification will be required when collecting cheques. If anyone other than the applicant will be collecting the cheque, that person should have a letter authorising them to collect the cheque and have a valid identification card with photo. If the same person will also be completing the application form, they should have all the relevant information to fill out the application.
- (f) Application forms can be handed in or inquiries made at the Ministry on Wednesdays or Thursdays only at 10.00 am to 12 noon.

The Department of Finance started the initial work to begin the award of this assistance, and on the 15th November, 1995, the project was handed over to my Ministry, Community Development, Sports, Women & Youth Affairs and Culture, which had responsibility for Veterans Affairs. A paper, from my Ministry, was forwarded to Executive Council to obtain the funds to start the processing of payments. This was approved in Finance Committee in the Budget Session. As stated in the guidelines from Executive Council, this assistance was granted to all Caymanian ex-servicemen. As in many projects of this nature, much experience was gained during the collection and processing of applications. This led to the guidelines being taken to Executive Council to be further modified.

Decisions were made to discontinue the award of assistance to persons who served in the Korean and Vietnam wars, as the intent in the first instance was that it should relate only to persons who had seen active service, or serviced the war effort of World War I, and World War II. A further decision was made to set the deadline for the cut-off of retroactive payments at January 31, 1996. Applications received after that date would be processed for the month in which they were received with no retroactive benefit offered. A decision was also made to grant assistance to members of the Home Guard, their widows or common-law widows of ex-servicemen. This also included an insertion to a(i) of the guidelines that the Caymanian ex-servicemen or their widows would have to

be ordinarily resident in the Cayman Islands at the time of qualifying service.

Lists for the award of these benefits were submitted by: the Veterans Association (Grand Cayman), the Cayman Brac Veterans and Seaman Association, and concerned citizens also submitted names and affidavits of persons who gave service and risked their lives for these islands in Great Britain, and in the other war zones, by serving the war effort in one way or another. The Ministry also had a search done by the archives which also produced a list of persons involved in the two wars.

Further submissions to the Executive Council were made to discontinue the award of war benefits to eligible Caymanians who were living overseas and to change the cut off date of application.

As of today there have been approximately 450 applications processed and assistance given. This project was a very large and time consuming one, and I offer great appreciation to all of my Ministry's staff who put in so much effort and patience in this assistance to our senior ex-servicemen, who too, gave of themselves in the past when the need arose.

This well deserving action by the Government is, I feel, one of the greatest humanitarian acts for many years. I sincerely wish, some people would not sour it by trying to use it as a political football, people should learn to live and let live.

SHORT QUESTIONS Standing Order 30(2)

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A McLean: Under Standing Order 30(2), I would like to ask a brief question of the Minister, if you will permit.

The Speaker: You may. Permission is granted.

Mr. Gilbert A. McLean: Can the Honourable Minister say if in the process of payment of monies prior to the various changes he has cited in his statement, monies were paid to persons other than those who are now considered eligible? If this money was improperly paid, what steps are being taken to recover it for the Government?

The Speaker: The Honourable Minister.

Hon. W. McKeeva Bush: Madam Speaker, I think I outlined in the statement that at the onset the agreement was to give to Caymanian ex-servicemen, and that started off in the very first instance and included some nine persons who had served in the Vietnamese and the Korean Wars. So they got the retroactive benefit and the payment in December.

As I have said, steps have been taken to discontinue this as the intent was to serve what I term the "Great Wars" and that this should be for persons ordinarily resident in the Cayman Islands.

Madam Speaker, I should further add that there are no steps being taken to collect the money given. It was given with good intention, received with good intention and I think this country would do well to leave it alone.

The Speaker: Other Business. Private Member's Motion No. 1/96 - Collection of Public Debt with Enabling Legislation. The First Elected Member for Bodden Town.

OTHER BUSINESS

PRIVATE MEMBERS' MOTIONS

PRIVATE MEMBER'S MOTION NO. 1/96

COLLECTION OF PUBLIC DEBT WITH ENABLING LEGISLATION

Mr. Roy Bodden: Thank you, Madam Speaker.

I beg to move Private Member's Motion No. 1/96 entitled, Collection of Public Debt with Enabling Legislation and it reads:

BE IT RESOLVED that Government take immediate steps to collect the large outstanding revenue due to the Treasury including contracting out debt collection to legal entities as necessary and legislate or amend such Laws and Regulations as required to clearly define whose responsibility it is for collection in any given instance and to provide penalties for non compliance by the accounting officers.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Madam Speaker, I beg to second the Motion.

The Speaker: Private Member's Motion No. 1/96 has been duly moved and seconded, and is now open for debate.

The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

A fundamental principle of businesses, such as governments, is that collection and control of cash flow is crucial to its successful operation. To this extent there is a move among many governments worldwide to improve the systems by which they collect, control and regulate cash flow. Many governments are now looking at moving away from the cash accounting system and moving toward an accrual system of accounting because it is realised that the accrual system has some significant advantages, in that it can be immediately ascertained what amounts are outstanding, to name but one instance.

It is very important that in a country such as ours - and comparatively speaking we are small with respect to some other countries, nevertheless the control, collection and regulation of our cash flow is just as important. Indeed, perhaps it is more important when we consider that our smallness in scale does not mean that we have any less obligation to provide services for our people.

It seems that the time has come for us to put in place a more effective system of collecting monies owed to the Government. Perhaps it should be stated that collection of money is always a precarious exercise. Certainly, it is that way in the private sector. I have reason to believe that in the public sector it is

no less precarious: indeed it may even be more precarious since unnaturally some people may claim that because it is the Government (and they form a part of the Government) they do not bear any obligation to honour those obligations. Whereas in the case of the private sector they may not necessarily have the same claim.

Importantly, too, pursuit of debt collection always seems to arouse ill tempers in people. Indeed, when this Motion was made public the suggestion was made to me that I should abandon the Motion because it was going to cause me to lose support and votes because people will not take kindly to me suggesting that the Government should go after them.

I am reminded of the saying left us by Clare Boothe Luce that "courage is the ladder upon which all other virtues climb," so if I am going to lose votes by standing for something which I believe is right and which I certainly know will enable the Government to function and deliver needed services, then I have to lose votes. But I will not be deterred from my encouragement and my suggestion that the Government do this. The private sector does this to the point of hiring people to hound bad debts; even to the point of taking people to court and getting judgments against them.

I think that there needs to be some kind of enlightenment or understanding which portrays the notion that obligations contracted legally and in good faith must be followed through by all parties. When the Government's garbage collection, for example, breaks down there is no end of complaints. Why is it, then, that when it is time to try to round up people who are delinquent or who have abandoned the idea of paying for the service we get complaints? I do not believe it is fair for people to expect that we as representatives can protect them from these kinds of obligations and responsibilities; and I do not believe it is fair to us as politicians and representatives of the people to be dissuaded from stating our position because we know only too well that when these services break down, all of us (the government as well as the representatives of the people) are complained to and are bombarded and sometimes threatened with withdrawal of support.

So it seems reasonable and important to state at the beginning that it must not be interpreted that this move is personal in any way. What it is, is a move to maintain the efficiency and ability of the Government to function as it should in providing the services that governments are expected to provide for their people.

With the recent tabling of the Auditor General's Report we have come to realise that these amounts which are outstanding are significant indeed, for the Accountant General's and the Auditor General's Reports specifically provide the figures. On page 24 of the Accountant General's Report the total list of arrears since the 31st of December, 1994 amounts to some \$12,494,145. In a Budget such as ours (of little over \$200 million) this is indeed a significant sum and I do not think that any government, let alone a government on the scale of ours, could be expected to write off or forgive debts of this magnitude.

I think we need to realise that in the private sector debts are never written off because then there would be no incentive for people to go into business. By the same token we should not expect the Government to write off debts, irrespective of the fact that we may say in a democracy that the people form the government. There are times when I think this might be a political problem as much as it is an administrative problem. Be that as it may, however, it makes no sense to point blame. What is important is that we craft a system which is effective.

Now, I am of the opinion that this is not an easy solution, for if the situation arises where the Government has to take

people to court, we know that there is a certain amount of risk and disfavour in that exercise. But, by the same token, that may be the clearest, most logical and inexpensive way.

I also do not necessarily believe that we should arrive at a system where all the blame is left with the accounting and controlling officers, and when the system breaks down we penalise them. I would rather see us arrive at a system where, while the Accounting and Controlling Officer is the person who has responsibility, we give him the mechanism and the teeth to get the job done in such a way that he is not unduly at risk, where they cannot be singled out for opprobrium or revenge.

That is the challenge, and by way of introduction I will leave the matter at that point.

The Speaker: The Third Official Member for Finance and Development.

Hon. George A. McCarthy: Madam Speaker, I rise to comment on Private Member's Motion No. 1/96, with these few remarks: I am happy to report that initiatives already commenced by the Government in dealing with collection of outstanding revenues currently encompass all of the suggested action being proposed for corrective measures by this Motion.

I should point out that the implementation of corrective measures in recent years has been shared with Members of the Public Accounts Committee and, to a somewhat lesser extent, with the Honourable Members of this House. Notwithstanding these corrective measures, the Government does recognise that there is further work to be done, but is pleased to advise that such measures are in fact in hand.

The Government is fully committed to reducing arrears of revenue and maximising revenue from all sources. This task is being tackled in a number of ways. Firstly, inclusive in the \$12.5 million shown as outstanding as at December 31st, 1994, is a backlog of old debt which has accumulated since the mid-1980s requiring action.

In order to tackle this the centralised Debt Collection Unit (of which this Honourable House has been advised) will commence in the Treasury Department on the 18th of March, 1996, when the Treasury Debt Collector will take up his post. The Collector is a qualified paralegal officer who is being transferred from the Legal Department who will bring the skills and experience needed for the Government to deal with the arrears. In conjunction with the Treasury Revenue Controller, the Treasury Debt Collector will identify and review all cases of arrears of revenue and commence legal proceedings in any case where this is necessary in order to clear the backlog.

Secondly, all Controlling Officers will ensure that revenue due currently is quickly followed up and apply pressure to debtors to pay. The arrears of revenue must be dealt with promptly, and delinquent debtors will be brought to account. This will require that Controlling Officers liaise with the Treasury Debt Collection Unit at an early stage to secure payment of debts.

In respect of debtors for medical fees, the Health Services Department is currently reviewing arrears with a view of recovering fees owed in all cases where this is possible. In general, Controlling Officers will provide arrears of revenue return to the Treasury every three months as required by the Financial and Stores Regulations. This procedure has slipped in the past, and instead of being done on a quarterly basis it was done at the end of each financial year.

The Government intends to issue a clear message to all of its delinquent debtors. In the past, debtors have ignored requests and reminders for payment of debts. The new arrangement will be efficient and ensure that Government debts are taken seriously; Controlling Officers and the Debt Collecting

Unit will work a strict time limit and debtors will be brought to the Courts if necessary.

In order to more quickly deal with the existing legal work load, consideration is being given as to whether to use a local firm of attorneys or debt collecting agencies to assist with debt collection. In cases where this is done, debtors will be required to pay the legal fees and court costs if they failed to pay the amounts due and are summoned.

Whenever possible the Government will discontinue services to debtors if their debts are not paid. There will be a coordination between the departments of Government so that if any person or company owes any money to Government, they will not get the benefit of Government's services or, for example, be issued work permits and/or business licences or other services.

The capability to achieve the level of coordination required to allow this to be done will be facilitated by the introduction of new computing technology within the Government.

In this regard, the Government is developing a fully integrated computer Accounting System so that information regarding debts can be coordinated. This will greatly assist the process of efficient revenue collection and debt recovery. The new system will provide a centralised database of all existing debts and will be on-line and instantaneously available to all controlling officers and the centralised Debt Collection Unit for use. The existing problem with delays in the submission of reports on arrears of revenue will be corrected, and the Government's ability to identify bad debtors will be greatly enhanced as their credit history will be known to all areas of Government to enable adequate and efficient discharge their respective functions.

To further enhance the existing organisational structure of the Portfolio of Finance and Development, we have taken a decision to fill the post of Assistant Financial Secretary. This post has been vacant since the promotion of the current Deputy Financial Secretary in April 1993. This new person will advise and assist the Financial Secretary and the Deputy Financial Secretary in implementing and maintaining policies agreed upon, for sustaining prudent financial management, and the integrity of transactions consistent with the provisions of the annual Appropriation Law.

In particular, the Assistant Financial Secretary will liaise with the Accountant General, the Director of Budget and Management Services Unit, and Controlling Officers in the Debt Collection area and ensure that adequate resources are available to support their efforts.

The Motion does speak to the subject of the adequacy of the existing debt collection legislation. This matter has been thoroughly researched and the position of the Legal Department is that there is already adequate legislation, both primary and secondary, to ensure that revenue is collected and to penalise those responsible for its non-collection. Further, in support of this position the Legal Department is satisfied that controlling officers have a legal duty to take all measures including civil action to recover amounts owing.

The Government has a legal service under the Attorney General, who will be called upon to issue proceedings, obtain judgments, and enforce them on receipt of instructions from individual departments and the new Debt Collection Unit.

If there is a peak in legal work, outside firms and/or debt collectors will be used regularly to supplement the resources that already exist. In addition, further legislation has been drafted (and is currently under review) which seeks to improve the position of the Government in the event of the liquidation of a company's assets. This legislation affects several pieces of existing legislation and is expected to further secure

the payment of Government taxes in the event of liquidation of a company which has outstanding debts with Government.

In light of these actions, the Government is unable to support this proposal as the Motion has, in fact, been overtaken by events. However, the Portfolio of Finance and Development will undertake to consider as part of its future plan of action for debt collection any feasible recommendation that might arise during this debate.

Some further comments, Madam Speaker. According to a recent exercise carried out by the Acting Director of Internal Audit in regard to the \$12.5 million outstanding as at the 31st of December, 1994, it has been identified that approximately \$3,133,000 was collected during the course of 1995.

However, it is unlikely that the remaining balance will be collected in full (that is the \$9.2 million), as the review by the Acting Director has revealed that in many instances the amounts reported by Controlling Officers as at the 31st December were overstated, and contain sums that are presently known to be uncollectible. An example is the Tourist Accommodation Tax of approximately \$.5 million due from the previous owners of the Treasure Island Resort, and also a loan in respect of Stamp Duty on that property for the same amount of \$.5 million that was due from the previous owners as well.

To be more specific: for example, on page 24 of the Accountant General's Report it shows that under 'Other Import Duties', the amount of \$1,127,339 was due as at the 31st of December. However, the Acting Director of Internal Audit has found out that this amount was overstated by \$468,645. The remaining difference between these two figures amounts to \$658,694. Included in this figure however, were amounts totaling \$180,000 due from other Government departments. So the net figure which should have been shown in the Report as outstanding and due from the public at large was \$478,694, which is less than half the amount that is shown.

I should point out that against this \$478,694, the amount collected in 1995 was \$306,100, which leaves a balance of \$172,000. This \$306,100 approximates 70% of indebtedness reported as due, or the correct amount which should have been reported as due as at the 31st of December, 1994. So progress is being made in this regard.

As I mentioned earlier, Madam Speaker, the Report shows that, for example, the amount outstanding for motor vehicle duty was \$2,823. This amount was collected in full as at the 31st of December, 1995. The Report also shows the amount outstanding for gasoline and diesel duty as \$1,810. Again, this was collected in full as at the 31st of December, 1995. The duty on tobacco products was \$44.00. This was collected in full. The amount shown as outstanding on Tourist Accommodation Tax was \$1,081,467. Of this amount \$118,033 was collected as at the 31st of December, 1995.

I should point out, Madam Speaker, that it is unlikely that the remaining balance of approximately \$900,000 of tourist accommodation tax will be collected in full. Although the Honourable Member who introduced the Motion said that a decision should not be taken hastily to write off the indebtedness of Government - which I agree with - I think we will have to shift these amounts into some form of dormant state so as to prevent them from recurring and inflating the amount of revenue that would seem to be collectable, because this would suggest that this is money which is good and can be reached, but definitely is not the case.

For example, the past owners of the Ramada Treasure Island Resort, as I mentioned earlier, owe approximately \$587,000 which is money due for Tourist Accommodation Tax between the period 1986 to 1989. Of this \$900,000, over \$400,000 was due from Hospitality World for Tourist Accommodation Tax collected between 1987 and 1984. Separate action

is being pursued in consultation with the Legal Department on this matter.

We know that the owners of this company have formed a new company. In response to Parliamentary Questions in this Honourable House, the deviant practices of this company have been brought to light. I must say that the new company is paying the tax which is due, but until we resolve the existing balance against Hospitality World, we will be looking very carefully. I must say that work is in hand in looking at the licensing arrangements or the structure of the present company because I am not sure if honesty prevailed under the arrangements with the previous company to shift into a new entity. It is likely that the same practices will continue. This is not to say that is the case, but the old indebtedness will have to be resolved before any faith and trust can be established with the remittances and arrangements of the new company in their dealings with the management of the properties on behalf of owners.

Of this sum of \$900,000, we see that \$75,000 is due from the past owners of the Cayman Kai Resort. We attempted to collect this money, but were advised that upon the distribution of dividends by the liquidators who dealt with this property, it was unlikely that the Government would be in a position to collect this amount. So this accounts for the \$900,000.

On Travel and Cruise Ship Tax, the amount stated as outstanding as at the 31st of December, 1994, was \$777,786. This amount was collected in full as at the 31st December, 1995.

Traders Licences of \$109,209 and Agricultural Department fees of approximately \$19,270, these amounts are presently being examined by the Acting Director of the Internal Audit Unit because time did not permit for a thorough examination to be done. I would not want to run the risk of bringing information to the House until it is fully examined.

Another large amount shown as outstanding is the amount of \$2,294,959 due for companies fees. According to the Acting Director of Internal Audit (and I will read from our notes): **"The nature of this business is such that some companies are set up, never trade, or cease trading, and have no desire to pay fees. Periodic reviews of the Company Register are carried out and these different companies are struck off.**

"In 1995 companies which had not paid fees since 1992 and 1993 were removed from the Register. The defunct companies account for \$300,000 to \$400,000 of the reported arrears. Other companies in arrears for 1994 and 1995 will undoubtedly have to be removed from the Register the next time a review is carried out by the Registrar General. Therefore, some of the arrears highlighted in the 1994 Government Accounts cannot be classified as amounts that are collectable."

In this regard, Madam Speaker, it is very difficult for the Government to implement measures in order to enforce the full payment of fees during the course of any given year because we know that over 90% of the companies that enjoy current status normally pay their annual fees. But often when the principals of companies take a decision to continue the use of those companies, they normally do not write and advise the Registrar General that this is so. This is normally reflected by non payment of fees. But I should point out, from other information that has also been provided, that we have seen growth occurring annually in the Companies Registry and these non pay-

ments of fees are normally more than compensated for by new companies coming onto the Register.

In future, Madam Speaker, rather than just pulling off a figure at the end of the year, I think analysis should be carried out to establish what companies are enjoying current status, and what will be continuing, because there is no point in believing that companies which have moved into a defunct status will be paying their fees to the Government.

I should also point out, however, that of this amount for the year 1995, over \$500,000 (\$.5 million) was collected. So it shows that efforts are underway.

On disinfection fees, the Report shows \$15,270 outstanding. Of this amount \$1 1,360 was collected as at the 31st of December, 1995. So it shows that over 80% of the amount is due.

With Garbage Fees, this is a perennial problem. The amount due as at the 31st of December, 1994, was \$953,185. Of this sum approximately \$638,570 represented arrears from the period 1992 and previous years. I must say, Madam Speaker, it is known (and it might have been pointed out to this Honourable House on previous occasions) that this figure was extrapolated and we do not have specific documentary evidence to substantiate that this amount is collectable or who the owners are. We know that until 1992 the Accounting System was not enhanced. So it is just a question of extrapolating based on the population-base that the garbage fee collection should have reflected an interest by this amount.

When we look in terms of the amount realisable, based on information available, that would range about \$300,000. During the course of 1995 approximately \$47,237 was collected. We have to look very carefully in terms of how we deal with this \$638,000 because it is unlikely that it will ever be collected and it will continue to inflate future arrears.

With Hospital Fees there is a further problem with this and efforts are underway in order to try and address this. For example, of the \$3,880,140 reported as outstanding as at the 31st of December, 1994, \$1,642,416 related to fees not paid on transactions entered into in 1994. For the year 1993 it was \$1,330,873.

However, there is a sum of approximately \$7,000 that should be classified as doubtful debt. This, I recall was looked at on a previous occasion by my predecessor. When bills were sent out to debtors a lot of them turned up showing where they had paid the money to the Government. Because of these discrepancies within the system, it put the Government in an embarrassing position.

Madam Speaker, at the next meeting of Finance Committee a decision will have to be taken as to what amount of this indebtedness should be written off in order to secure the soundness of debts we know are collectable. We know from the comments given by the Minister with responsibility for the Medical Services, that efforts are now underway in terms of getting the Health Insurance moving. We are hoping that this will abate this problem.

We have also seen, of the \$18,000 due for ship registration fees, approximately \$10,300 collected. Land Registry fees, showing \$3,300 due, \$1,700 was collected.

We see tourist reservation fees due as being \$32,988, we also saw where \$3,181 was collected. There is approximately \$29,590 for previous years and we are looking at this very carefully to see if this was a figure that was extrapolated and whether it can be collected.

With Work Permit fees, it shows that the amount due as at 31st December was \$750,175. Again, with your permission, I would like to read the comments of the Acting Director of Internal Audit: **"Work Permit fees are shown as being in arrears by \$750,175 as at 31st December, 1994. The Immigration Department had difficulty in responding fully to our inquiries in the very limited time available, but it does seem that this figure is probably overstated and the amount that is collectable should be \$545,165. There may be some difficulty in collecting because of the difficulty of transferring from the old to the current system."** Like the hospital fees, this amount may contain certain discrepancies. So this is being examined thoroughly.

What this is showing is that of the amounts that were outstanding as at 31st December, 1994, and inclusive in the sum of \$3,133,462.44 mentioned as collected earlier, we have seen where substantial efforts have been made. It is not a question that the amounts outstanding as at 31st December are being ignored. I should point out that we have outstanding and due as at 31st December, 1994, a sum of \$592,768 representing a loan that was made to the previous owners of the Treasure Island Resort. This was a combination of stamp duty and import duty that was owed by the company. We have known that it is unlikely that this sum will ever be collected because the previous owners do not have assets that can be reached. This is a sum that will continue to inflate the indebtedness.

So when we look at the \$12.5 million, it sounds like a very large figure and it also conveys the understanding that this is money that can be reached. But the efforts so far by the Director of Internal Audit have proven that this is definitely not the case. What we will have to do is clean up this figure and extract from it debts that we know can be demonstrated by documentary evidence where we will not have the difficulty in terms of being refuted by debtors when they can demonstrate that payments have been made. Rather than controlling officers extrapolating figures, over stating figures and giving these figures over to the Treasury Department (and as a consequence the Auditor General comments on them and these figures find their way into the report to the Public Accounts Committee) more detailed examinations will have to be carried out to establish that they are accurate.

Following the comment by the First Elected Member for Bodden Town in terms of moving to an accrual system, we cannot input into that system, even if we were going to list these figures as receivable, monies that were uncollectible. Obviously, we would have to make provision for doubtful debt. Under this arrangement, approximately 50% of this amount stated as due would have to be reserved, provisions would have to be made, so we would have to look very carefully.

I have also taken on board the suggestion that many countries are now moving to an accrual system. I do recognise that there are certain advantages in terms of moving to this system in that such a system better reflects the measurement of Government's revenue potential. There is also an inherent danger in that it will be reflecting a sum of money that will be over and above the cash that is collectable, or that is available. As a result, there could be tendency by any Government to spend based on that measurement which we know will not be realised in full.

Under the cash accounting system there is protection in that the Government spends on the basis of what is collected. It has its drawbacks in that it does not reflect the amounts owing at the end of the year. I would think that without committing ourselves to it, we have moved into a modified cash accounting basis. Not only does the Auditor General's Report and the Accountant General's Report show the amounts due or collected during the course of any given year, it also shows the amounts due and collectable, arrears that are collectable, such as what I have done.

As I said, efforts are being made to pursue the current indebtedness - the \$12.5 million mentioned and spoken about so often in the Report of the Public Accounts Committee. This is not a sum that can be collected in full. It will have to be cleaned up to extract the amount due and collectable.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: It comes as no surprise to me that the Government does not accept this Motion and that the Government says, through the Financial Secretary, that what the Motion is asking for is already being done. That is standard procedure by the Government in any instance where the First Elected Member for Bodden Town or I bring a motion to this Legislative Assembly.

This particular Motion comes at a time when there has never before been an Auditor General's Report that has delved into the financial situation of the Government in terms of revenue owed to it as it has in this particular case.

Having listened to the Financial Secretary and his admissions to huge sums of money being owed to the public of this country, I firmly believe that this Motion is extremely timely and provides an opportunity for all Members of this House to express some view as to the rightness or wrongness of Government's collecting revenue owed to it.

From my own perspective, Jesus himself is recorded in biblical history as saying "Render unto Caesar the things that are Caesar's." Whether or not one chooses to give the name of 'Caesar' to the Cayman Islands Government in this case... surely this Government (or any Government of the world) only has revenue through collection of taxes or fees for services which it provides. Government provides few goods - its business is basically services and fees which it charges the private sector for business which the private sector carries on.

It is pertinent to note that when we talk about Government in this regard it surely brings into play the concept of Government "...of the people, by the people, for the people - for the money collected by the entity (Government) is really spent on behalf of all the people of the country. So for there to be large

amounts outstanding and not paid to Government, means that Government cannot best serve the needs of all the people. On the other hand, it is creating a special and privileged few who can carry on business or get services from the Government, and not pay like the rest of the people are expected to, and who indeed do.

When money is owed to any business in this country it has to take steps to collect. If it does not collect the money owed to it, it goes broke. In the same manner, if Government does not collect money which is due, then it will go broke, and must borrow money which it would not have to if this revenue were paid. Any way one looks at the situation, the country is worse off for the present state of affairs.

The fact that some of the money which the Auditor General says is due has been accumulated over a period of time, is no excuse whatsoever for the situation to continue. There needs to be a consciousness in Government first - that Government is not doing a wrong by collecting revenue on behalf of the people; that it is not wrong for the Government to prescribe fees, unless those fees can be shown to be blatantly unjust. There has to be a consciousness in Government that for it to function as the business which it is, it has to be in the business of debt collection as well as expending money. I believe that particular type of consciousness does not seem to exist in the Government at this time, nor has it in the past.

According to the Auditor General's Report, there is \$12,494,145 owed in arrears of revenue. When one thinks that there is only 31,500 people in this country, that is a very frightening statement. That is something which any Government, including this Government, should make its greatest priority. If the Government had this amount, quite likely it would not have needed to borrow the \$18 million to balance the budget, in order to do what it plans to do this year.

The Auditor General's Report, referring to the arrears owed to Government through hospital fees, brings another set of figures into play which is indeed staggering. On page 18 it says that, "...at present over 20,000 individuals and companies owe Government money for dishonoured cheques, unpaid tourism accommodation tax, unpaid medical bills and unpaid garbage fees alone." Twenty thousand people! Included in this is dishonoured cheques and unpaid tourism accommodation tax. If we just take those two items alone, people have the audacity to write cheques to the Government - the giver and enforcer of laws - and the Government is not doing what it should do to stop that type of practice.

If one writes a dishonoured cheque, any business or any bank is going to collect. If you do it to a law firm, straight away you get sued. So why should Government be any different? Why should Government, of all the entities, do little or nothing about this type of thing?

One of the country's largest industries is the Tourism industry. It brings millions of dollars into the country in any given year, and it has been identified by various studies that this is the case. Hotels, guest houses, condominiums, whatever, offering accommodations, do not offer that accommodation for free - they get paid for that accommodation; they collect money. From that money Government should get a fee and there are hundreds of thousands of dollars outstanding to Government.

Just last year a Law was passed (an amendment or a new Law) which gave Government greater strength and ability to collect money from tourism properties where they were supposed to pay fees. There were certain time limits set for money to be collected and if it was not collected there were penalties. I

seriously wonder how much things have changed from what was happening prior to that, to what is happening now since that Law was passed. There appears to be a general attitude that Government is not supposed to collect its revenue, particularly in a specific area where Government knows that money has been collected which it can demand be paid. This does not appear to be happening.

In speaking on the matter of tourism collection, the Financial Secretary spoke of the Treasure Island Resort and how money may not be collected from that because it has changed hands, and so on, and so forth. My question is: How does the Government allow these properties to change hands, from whichever hand to the other, when it comes down to the point where the Government has hundreds of thousands (or millions) of dollars outstanding to it? How do they allow that to happen? Surely, if it was private enterprise and two companies were in litigation, or a company and an individual were in litigation over monies due, those companies would not transact any change of ownership without the complainant getting their money out of it. How is it that Government allows these things to happen and not collect its revenue? It is a slackness beyond belief.

I think that it has to be the failure of some section, department, or whatever, of Government. Here, I think the Motion correctly asks that, where it is necessary, Laws be legislated or amended, or regulations be made which clearly define whose responsibility it is for collection. If it is the Treasury, then the Treasury needs to do it. Whichever department or officer within a department who needs to collect the revenue should collect it.

It should be defined in Law. Surely the Legal Department, including the Courts of Law, must be involved in the process of collecting through the weight of the Law where this does not happen.

Certainly, there are not sufficient persons in the Legal Department. The Auditor General has been told that the **“Legal Department has intimated that it does not possess the resources to undertake debt collection on the massive scale now required.”** We definitely ought to be able to pay more lawyers if we collected the \$12 million that is outstanding. So the two go hand-in-hand. If it requires more staff in the Legal Department, then, clearly, we need to provide more staff to the Legal Department. If that is what it takes, then that is what needs to be done.

As one reads the Auditor General's report and his findings, one easily gets the impression that there is a serious lack of definitive regulations or laws when it comes down to collection of Government's money, and who is responsible for so doing. It seems like there is a clear opportunity for officers to shirk their responsibilities in terms of collecting Government's money. For example, under the heading 'Advances - Official Travel - Deferred Expenditure' in the Auditor General's Report, he says, **“There was a substantial increase in the amount of un-cleared travel advances. At the date of our audit, a total of \$269,712 was outstanding and had not been accounted for.”**

Here the Auditor General is talking about money that has been advanced to Government officials - Heads of Departments, Permanent Secretaries, Ministers, everybody that has the right to these advances. Two hundred and sixty nine thousand dollars! Over a quarter of a million dollars! It goes on to say: **“Numerous officers had multiple advances outstanding for as long as 18 months. Advances are supposed to be accounted for in full before any further application for advance can be authorised.”**

What on earth is going on in the Government as far as revenue management is concerned? One surely has to wonder. To give an inside picture of what it is costing in some instances, I quote the Auditor General again: **“Auditors found 93 un-**

processed travel claims, which had been submitted by traveling officers, in a desk drawer in Treasury Department; 84 of these claims had been held by Treasury for one month or longer and at least 13 unprocessed claims involving advances totalling \$16,177 related to travel undertaken in 1993.” Now, this is the Auditor General doing an audit in 1995 of the 1994 accounts. Something is frighteningly wrong.

It is the duty of the Government to put a stop to it. It is the duty of the Financial Secretary as the person in charge of the country's revenue under the Law, the Ministers of Government, the Governor, the Treasury, everyone, to put a stop to this type of thing.

It is not as if the Government is doing something against the people, it is purely good public management (financial management, I might add).

Of the Treasury Department, the Auditor General says, **“The Treasury Department explained that the backlog had occurred because priority had to be given to other work to the extent that overtime was being worked and other tasks were prioritized at the expense of official travel. Excessive processing delays can also cause budget management problems for controlling officers when expense accounting is postponed to a later financial year.”**

Naturally, this would occur. It does not take a genius to know that one or two things need to be done; either the duty in the Treasury (if we take the instance of these travel advances) needs to be reassigned to someone who would have the time to deal with these advances on a timely basis; or, if everyone is occupied to the optimum doing other duties, it is necessary to employ more staff. It does not take a genius to know that. Why has it not been done? Certainly, by having the adequate staff they, in turn through collecting, are providing for their own salaries.

What sort of system is in place? What type of Government administration presently obtains where this type of thing can happen?

The Speaker: Honourable Member do you expect to be finished shortly'?

Mr. Gilbert A. McLean: No, Madam Speaker, I have a few more remarks.

The Speaker: We could take the suspension, but I need to say that it has been represented to me by the Government that it would wish to take an early adjournment, possibly at two o'clock, this afternoon. Therefore, I will suspend proceedings now for half an hour.

Thank you.

PROCEEDINGS SUSPENDED AT 12.10 PM

PROCEEDINGS RESUMED AT 2.47 PM

The Speaker: Please be seated.

The Second Elected Member for Cayman Brac and Little Cayman, continuing.

Mr. Gilbert A. McLean: When you adjourned proceedings I was speaking on the Motion dealing with revenue collection, expressing some views as to my concern in various areas, making note of a few items which have been identified as areas of arrears as noted in the Auditor General's Report.

One sentence is quite outstanding in this report, where he said, **“In my opinion, revenue recording and collection is the major problem area of Government’s financial administration.”** Also, where he says, **“Substantial evidence has been accumulated illustrating that debt collection is not given sufficiently high priority by some controlling officers.”** That is shown to be true in a very vivid light in a statement made by the Financial Secretary when replying on behalf of Government about companies which do not pay the fees required of them, and because of that there is large and outstanding revenues to be collected.

Initially we can presume that the companies registered pay the prescribed fee so that they can be registered. But it would seem that some position needs to be taken as to how long the Registrar of Companies has allowed fees to be outstanding before striking those companies from the register. It is my understanding that the Registry of Companies is now computerised and as such I would imagine there is virtually instant access. If a reasonable time limit is given from the date that revenue should be collected, and if that time passes and Government in the normal of process of things believes that it might be necessary to give this person a longer time to pay, so be it. But there needs to be a cut off point when the companies are then struck from the register.

There may be those who have a genuine cause not to have paid, but they will have to pay the penalty for having their company renewed. Surely, it should lessen the number who have no intention of renewing again because they do not have any intention of carrying on business as planned. Therefore, that would suit the condition which the Financial Secretary described when he said that some arrears in revenue are shown, but in reality they are not real because the persons are not carrying on business. I think there could be something done in that respect.

Certainly, the fact that the Registry of Companies is now computerised is an ideal opportunity for the Government to send out (by fax) notices to these companies so that when these become due and they do not receive some indication, then that is an even better indication whether they should remain on the register.

On the matter of companies, perhaps the most revealing thing the Financial Secretary said in regard to that was the case of Hospitality World which was allowed to form a new company owing Government large outstanding revenue which apparently was an attempt to not pay those fees. How could any Government agency, Registrar of Companies, Business Licensing Board or whatever, not have sufficient information to know that they owed Government?

Even more frightening is that, if they did have that information, that they licensed a new company for the same people to carry on business.

These types of conditions are bad for the country, for Government and for us as a people. I come back to the request of the Motion for Legislation be put in place, or be amended, or regulations be put in place where money can be collected. It should not be the case where

one has to depend on a particular policy of a particular Government at a given point in time about debt collection. Policies can change from Government to Government; or even the same Government might take a different view mid-term. Debt collection for the Government needs to be absolutely grounded in legislation that clearly prescribes Government’s policy. There should be no doubt on behalf of any Government Administration or anyone who might owe Government money.

Another area of Government debt that has come to light is in the area of the television operation here on the Island. There are three that are licensed by the Government. It would appear from the Auditor General’s findings, and those of the Public Accounts Committee, that there are large amounts of money outstanding that have not been paid, even though licences have apparently been granted. It is really inconceivable, because each day that is an operation that is ongoing.

There is also the case of a radio station where money is owed. How can Government, the Executive, the Administration, we as legislators, possibly not feel a compulsion to see that those things are not allowed to happen because they affect the country and the people we represent? We must assume that each day these businesses are earning money and, if properly run, each day there would be attempts to improve revenue to themselves as business entities. How can it be allowed to happen, where the meagre amounts that Government is due are not being paid?

The Financial Secretary also spoke about the fact that some of this money (which he read from the Internal Audit) may not be collectable. In that case, let us find out what is not collectable based on facts and figures and write it off. Start collecting what is collectable straight away. That is what this Motion is asking for. Let us not allow people who should pay into the revenue of this country to continue to do what they are doing. There is nothing personal about collecting. It is totally impersonal. The most impersonal entity, I would suggest in collecting, has to be Government because it encompasses all. Everybody is required to pay into that body monies in various instances.

I was glad to hear that certain modifications are being made in the cash system under which Government presently operates. If it is necessary to change the cash system to an accrual system or partial accrual system so that there is better knowledge of what is owed to Government and what should be collected, that it is more up-to-date and it takes less time to know, then that is surely what Government should do.

With most laws there are certain penalties. It should be no less the case in what is being asked for in this particular Motion where it says that it should be clearly defined who is responsible for collection in any given instance and to provide penalties for non-compliance by the accounting officers. Perhaps there are accounting officers who are not aware that it is their responsibility to collect. Perhaps there is no regulation in place to guide them as to the process that they must go through in collecting. It needs to be defined.

If in the Public Works Department, or some licensing board, there are fees that have not been paid, the person who should collect those fees ought to know what the next step is if it is not paid. Do they refer it to the Treasury? Do those persons refer it directly to the Legal Department? When it goes to the Legal Department, does it go to some specific officer there and is there a proper processing place to deal with it straight away? If it is the case, as the Financial Secretary said, that someone with legal knowledge is being put in the Treasury, and a special post is being set up, then we ought to do that post-haste. It cannot be allowed to continue.

There are many penalties in the Law, but if laws are not enforced and the penalties are not enforced, like a psychology lecturer of mine used to say, "human beings tend to forget." If there are penalties, if someone has something to fear by not carrying out a particular responsibility, then it tends to prod the memory and the correct course of action.

The public can only depend on the Civil Service as a machine which goes on in its own right carrying out the business of Government impartially. The public must count on its Elected Representatives to supervise and direct policies and matters when they seem not to be happening the way they should. This Motion could not be more timely in the light of what we now know regarding Government's revenue collection - or the lack of its revenue collection. It should be a signal call to the Government - not to say that something is being done and grant assurances in this Legislative Assembly about what is planned to be - it should be done forthwith. It needs to be done forthwith. Certainly, it should not be left to policy consideration which can change from time to time, or as frequently as the policy-makers choose to change them. It should all be set down in legislation and regulation so all can be guided by it to do what is correct.

I support this Motion because this Motion is asking Government to do the right thing for this country and to do it in the right fashion. To do it only by assurances of things hoped for is not the way to proceed; which is the way it appears to me the Financial Secretary is saying it will be done.

I trust that by an accident the Government will see the wisdom and logic put forward in this.

The Speaker: The Honourable Minister responsible for Education and Planning.

Hon. Truman M Bodden: This Motion deals with a problem that has existed from the time the Second Elected Member for Cayman Brac and Little Cayman was the Principal Secretary in the Government. We can look back through the different Auditor Generals' Reports and see that going back, for example into years such as 1990 and 1991, similar reports were made; even as far back as 1988.

The machinery, as far as the legal aspect of collecting debt goes, now exists in the laws. In fact, not only does Government have access to the civil collection of debts, as does the public in general, but in many of the

laws there is specific legislation to deal with the collection of debts such as the tourist accommodation tax referred to earlier.

The Finance and Stores Regulations have clearly laid down the responsibility of the officers who have to account for this. As the Honourable Financial Secretary stated, these are all in place at present. The move is to set up a Collections Department and to have that fully staffed and dealing with collection of outstanding debt.

What is important (and it does not seem to have been understood by the Opposition Members) is that this is not a debt that has just arisen - it has been accruing, probably from the time that the Second Elected Member for Cayman Brac and Little Cayman was in the Government, or maybe from the time that I was a civil servant. Somehow these have not been written off as would happen in the normal course of things in the private sector. Each year bad debts are written off to the bad debt P/L Account and provisions are made for future bad debts. Every business has bad debts. There are no two ways about that. But it is important that we look at finding a way so that we write these debts off annually.

The Auditor General stated (at page 16) that in 1994 there still remained arrears of revenue of \$7,488,634. A lot of this is very old debt. As we know, there is a six year limitation period after which debt cannot normally be collected and this is extended in some instances where it is revenue under specific laws. So we have a situation where some of this debt is probably not legally collectable because it is statute barred.

Much has been said to highlight the fact and make it appear that this is a problem which has just arisen for this Government. But these debts extend into many other areas. The problem does not arise with just debt.

For example, in 1993 the Auditor General (at page 35) had this to say: "**The Audit Office is aware of a further \$900,000 of water connection work which had been carried out in 722 house lots in eight subdivisions, all at no cost to owners or developers.**" So it is not just collection of debts. This was when Mr. Linford Pierson was in charge of the Water Authority. That would not show up as a debt because that has been written off as revenue not collected.

Lastly, another section states: "**The results of the exercise by the Auditor General confirmed under billing of \$2,634 on two accounts, plus under billing of \$1880 on one other account. These irregularities occurred during the period of August 1991 to January 1993 and were attributable to the deliberate manipulation of water meter reading.**" We know that the Public Accounts Committee established that that \$1880 was Mr. Linford Pierson's account.

So, there are areas in this that go beyond what Members have raised here.

I am a Fellow of the Institute of Credit Management and therefore a qualified credit manager. I have been for many, many years. It is not easy to collect debts that extend beyond one month. The general rule-of-thumb is that you collect most of your debt within 30

days. After you hit about three months it becomes very difficult. So vigilance is very important in dealing with credit.

It is a fact (as stated by the Honourable Financial Secretary) that Government has really not had in place a credit department with qualified staff who could pursue the collection on a regular basis. However, there are some accounts that will never be collected because they are incurred by companies that go into liquidation. What the Legal Department and the Credit Department will have to decide is which of these accounts is worth pursuing and which are not. You can always send a judgment on an account. Many times you cannot enforce it because there is nothing there to collect money from. So it is referred to as a hollow judgment and there is no use in following it.

Another problem we have to face is that the public is generally more reluctant to pay Government than they would be the private sector. On the other hand, some fees are billed. For instance, I have constituents who have been billed for garbage fees when the garbage truck cannot get in and therefore collects no garbage. But by law they have to be billed. So the Government department is legally right to bill them even though they are not providing the service. That is an unusual case. But there will be some instances where bills cannot be justified.

I am satisfied that what the Honourable Financial Secretary has put in place is something that will begin to come to grips with this. He will have to write off a lot of the bad debt because we will never collect it.

One of the Members went into the question of Advances and read from the Auditor General's Report, but what I found out after coming into Government was that... and I do not take advances, it is such a problem to sort out afterwards that I just do not. So he was not referring to me when he was speaking about the \$700 that was outstanding. I am sure that all Members of the House pay these when they arise, but there have been delays in that area.

While the Motion is one that does flag a very old problem, I think it is misguided in two areas: I do not think that we need to amend or legislate regulations and laws for there to be collection of debts. I think the legal structure is clearly in place. I do not quite follow the reference to contracting debt collection out to legal entities, especially from the two Opposition Members who have opposed consultancy and agencies as much as we have in the past. I am not too sure who they have in mind to collect the \$12 million in Government debt.

POINT OF ORDER

(Imputation of false motive)

Mr. Roy Bodden: Madam Speaker, on a point of order.

The Speaker: May I hear the point of order, First Elected Member for Bodden Town?

Mr. Roy Bodden: Yes, Madam Speaker. *Erskine May* page 380, "The imputation of false or unavowed motive." The Minister says he is not too sure whom we had in mind to collect Government's debts. The Honourable Minister should read the Motion because we did not come here proposing for anyone to collect Government debt.

The Speaker: I am sure that the Honourable Minister did not mean that you had a specific company or entity in mind. I did not get that from his inference.

Mr. Roy Bodden: Madam Speaker, that is his evil sneaking way of getting these things across.

The Speaker: Honourable Minister, please continue.

Hon. Truman M. Bodden: In this Honourable House we have to try to behave like gentlemen and ladies, and I will just remind the Member of that.

I was reading from the Motion. The Motion says: "...including contracting out debt collection to legal entities if necessary." I do not see why...

The Speaker: I have already asked you to please continue with your debate.

Hon. Truman M. Bodden: Yes, Ma'am. I just do not understand why he got upset.

Mr. Roy Bodden: *[interjecting]* We will not retain your law firm.

Hon. Truman M. Bodden: While I am a qualified credit manager, I can assure you that I am not going to end up collecting Government's debts.

The Speaker: I hope you are assuring the House and not the Honourable Member.

Hon. Truman M. Bodden: I am assuring the House, Madam Speaker. I just find this a bit comical in that I am trying to be constructive and I am getting all this thing about evil and everything else. We have to try to keep this House on a good basis.

I really think the Motion is misguided. We do not need to amend the laws. Anyone who has a bit of common sense (which I believe occasionally is lacking in some areas)...

Mr. Roy Bodden: Including yours.

Hon. Truman M. Bodden: (I really was not referring to that Honourable Member. I wish that he would just shut up.)

...they would then realise that the necessary legislation is there.

On a comical note, if in 1985 when the Second Elected Member for Cayman Brac and Little Cayman spent four weeks in law school, he would have had another four weeks, he would have learned the laws relating to debt collection and maybe this would have been a different Motion.

The laws and regulations are in place. I do not think that we have to contract the debt collection out. That is being done by the Honourable Financial Secretary. It will be put in place. What is important though, is that there be a system by which the proper aging of debts is computerised so that on a weekly basis there can be print outs that go into the departments showing the arrears of debt. As I said before, vigilance... once a debt goes beyond 30 days... is very important. The follow up has to be fairly quick if these are to be collected.

Barring the fact that much of this \$12 million (and we know that a very large part of this arose in the last two decades before we came into Government - when other Governments were in place) the writing off annually would also be important. So I cannot support the Motion. I think it is a political one attempting to pick up a few political votes here and there, as usual, which we find being brought at this time of the year.

I think this one is misguided and, in fact, we are doing as much as Governments in the past have done and more to collect this debt.

I cannot support this Motion.

The Speaker: If no one else wishes to debate the Motion,

I will ask the Mover if he wishes to exercise his right to reply.

Mr. Roy Bodden: Thank you, Madam Speaker.

In the arguments given by the Government there is some semblance of wisdom to what was said by the Honourable Financial Secretary in his reply. Certainly, we who brought the Motion recognised that it is not a problem easily addressed. In his response, the Financial Secretary went into some intricate detail as to the extent of the problem. His explanation exceeded the scope which I had envisaged. I feel compelled to mention a few things which arose out of his response.

The first thing is that in any civilised society withholding of monies due to the Government is a serious offence, indeed, more serious than non-payment of debts to an individual. Some countries, like the United States, take this seriously; more seriously, some people argue, than crimes such as murder, etcetera, because of the fact that you are not only stealing from one person, but you are stealing from all the people.

To hear that some people go to such an extent to defraud the Government that they liquidate one company and, with the same brazen efforts, form another company using the same office, is somewhat mind-boggling, to say the least. So, I would hope that while the Government has not seen fit to give consideration to our request, that they recognise that entities and individuals who are so brazen should not be allowed to operate with impunity. That is, of course, taking into consideration the fact that we pride ourselves (quite rightly so) on being an international financial centre of some repute. But we cannot have entities flaunting these kinds of circumstances in the face of Government.

I have to also acknowledge that part of the problem is not necessarily that a lot of monies are owed, as the Financial Secretary rightly pointed out. Some monies have been collected. But perhaps there is room for improvement in the system so that we can have an accounting or an accrediting of monies that have been outstanding and have been collected at more regular intervals.

Listening to the Financial Secretary, I realised that the risk can be that some of the monies owed can be greatly misconstrued since he mentioned that monies recorded in some of the documents from which we quoted, have since been collected. I note his comment that the Government is striving for some modification of the system now being used. I understand that there are reservations with the accrual system, but I think there is a need to modify the system which we now have in place to a system which the Government can be comfortable and satisfied with, which also allows us to have a more accurate position that what we have now.

I also believe that there are other ways in which we can improve the system. The Financial Secretary mentioned that he was prepared to take into consideration any suggestions. By coincidence, a few evenings ago I was approached by one of my constituents who was lamenting the fact that she had

tried to pay a small hospital bill but was deterred by the energy that had to go into the effort - she had been twice to the hospital in George Town and was not successful. Upon visiting the clinic in Bodden Town she tried to pay the bill only to find out that the staff at the clinic were not equipped to receive Government monies in that kind of circumstance. Indeed, she went on to tell me that they did not even have a photocopier to be able to photocopy the bill and note that she had paid it, as she was prepared to take that as a receipt. I think that, perhaps, some consideration might be given to these types of operations. I do not know if it is feasible but it certainly would be convenient and eliminate the excuses some people make that they have difficulty paying their bill. Although it was a small amount, that adds up and becomes big figures. So there is room for examination and improvement. I welcome the promise and the undertaking that this will be done.

It is unfortunate that we have to write off large amounts of money which have been owed by tourist facilities, particularly under the circumstances. The Government, in good faith and purely upon consideration, stepped in to alleviate a situation which was untenable, ugly, and had the potential to blacken the face of the Cayman Islands. What does the Government get in return? An abnegation of the responsibility by those whom the Government stepped in to help.

It is unfortunate that we cannot collect the monies owed by the Treasure Island Resort. It is unfortunate that after the Government took the steps to help them that someone left such a large tab. It is unfortunate because I am sure that the Government has to have some apprehension about giving this type of support in the future. I do not know if anything can be done in this case because the principals are out of the jurisdiction and it is expensive to hire firms in the United States. Perhaps it is best, as the Financial Secretary said, for the Government to lay this aside in some kind of account and not try to actively pursue it because it might well mean that we would spend millions trying to collect hundreds of thousands of dollars. I think it is necessary sometimes to operate on principle, but I do not think we can afford to go to that expense.

The Minister for Education quite rightly said that the problem existed from a long time ago. While that is true, that does not exonerate us from carrying out our responsibility now to see what can be done to alleviate this problem and collect these outstanding monies.

I do not see the relevance of dealing with the water bill of a former Member of the House. He certainly has no connection to me, and I do not think he has any connection with his colleague. While I give him the respect due to a former Member, I do not feel compelled to come to his rescue, as I am too busy defending myself from the Honourable Minister.

Hon. W. McKeever Bush: Yes. Come on...

Mr. Roy Bodden: I am sorry if the Honourable Minister took any of the comments personally. They were purely impersonal and made in the spirit that we all together have an obligation. While the Government bears the brunt, all of us together have an obligation to see that monies owed to the Government are collected. It is only by so doing that the Government can continue to offer the services which the public expects.

I want to say that great responsibility must be placed on the Legal Department and the Attorney General's Office. It is that entity which must provide the legal expertise when necessary to inform the Government departments concerned as to how best to collect the money.

The Honourable Minister who spoke last made reference to collection agencies. I do not know what the Government will do, what avenue they will take, but I see (and

from business experience I know) that collection agencies are becoming more popular in Cayman. Unfortunately, I do not believe that the legislation which allows them to be as effective as they could be is in place. It is difficult for even the most assiduous of them to be as effective as they could be as a result of this lack of legislation.

I want to comment on something which I find very surprising. It is something I have heard complaints about, that is, the impunity with which people write cheques when they know that there are no funds in their account to cover it. If that were done in jurisdictions like Canada and the United States, that would be a criminal offence. These people should not be allowed to operate with impunity when they carry on that type of behaviour. It is destructive to the person for whom the cheque is written and it gives them favour which they do not deserve. They receive goods and services in good faith, and I am familiar with the problem.

I also know that many businesses operate with a surcharge for this type of behaviour. But Government operates at a disadvantage because it cannot add \$25 or \$50 for a service which it did not provide: yet, Government is out-of-pocket with the money...

[an Honourable Member interjecting]

Mr. Roy Bodden: They do? Well I am glad to hear that. I stand corrected.

I think that this is not only a problem with Government, but a problem with the private sector and I wish that something could be done to educate (if it takes education) or to put the correct sanctions in place so that this type of destructive behaviour is discontinued.

I am disappointed that the Government did not see fit to accept the Motion. I am disappointed that the Minister for Education sees it as another political move to garner another couple of votes for the Opposition. It was not that at all. Even though this is an election year, it is not sufficiently close to that time that we have to be that desperate yet. The Motion was brought because we realise that there is a problem.

I will leave on this note, since everybody seems to be in such cordial spirits: Edmund Burke was recorded to have remarked that Government is the contrivance of human wisdom to provide for human wants. Men have a right to expect that these wants will be provided for by this wisdom. The challenge is now for the Government to get around this problem.

Thank you, Madam Speaker.

The Speaker: The question before the House is Private Member's Motion No. 1/96, Collection of Public Debt with Enabling Legislation. I shall put the question. Those in favour please say Aye...Those against No.

AYES and NOES.

The Speaker: The Noes have it. The Motion therefore fails.

PRIVATE MEMBER'S MOTION NO. 1/96 DEFEATED.

The Speaker: I am just wondering if this is a convenient time to take the adjournment. May I ask the Honourable Minister for Education for the adjournment?

ADJOURNMENT

Hon. Truman M. Bodden: Madam Speaker, I move the adjournment of this Honourable House until 10 o'clock tomorrow morning.

The Speaker: The question is that this Honourable House do now adjourn until 10 o'clock tomorrow morning. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until tomorrow morning at 10 o'clock.

AT 1.42 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM FRIDAY 23RD FEBRUARY, 1996.

**EDITED
FRIDAY
23RD FEBRUARY 1996
10.08 AM**

The Speaker: I will ask the Third Elected Member for George Town to say prayers.

PRAYERS

Mrs. Berna L. Thompson Murphy: Let us Pray.

Almighty God, from whom all wisdom and power are derived; We beseech Thee so to direct and prosper the deliberations of the Legislative Assembly now assembled, that all things may be ordered upon the best and surest foundations for the glory of Thy Name and for the safety, honour and welfare of the people of these Islands. Bless our Sovereign Lady Queen Elizabeth II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated.

Order. Proceedings are resumed.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker: Before proceeding to Business, I take great pleasure in welcoming on behalf of the Honourable House, the Honourable Members of Parliament of the United Kingdom who are present for a brief period this morning.

Questions to Honourable Members/Ministers. No. 10, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTIONS TO HONOURABLE MEMBERS/MINISTERS QUESTION

QUESTION NO. 10

No. 10: Mr. Gilbert A. McLean asked the Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture how much fill will be needed for the National Stadium/Sports Centre project in Spotts.

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, the answer: Once again may I say to this House that there is no National Stadium project and I wish that questions would not refer to one. What is planned is a Sports and Recreation Centre with a lot of emphasis placed upon the park and other facilities for children and families. This is a project which is to be phased over ten years. It will not begin this year nor next year from Government's point of view. We know that Johnson and Higgins will develop the park at no cost to Government and they are quite ready to begin now. I can say that it is expected that on-site excavation will take place extending and linking the two ponds that presently exist. This exercise will provide quite a bit of material.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: The Honourable Minister has said in his reply that 'the excavation on site will provide quite a bit of material.' Is there any accurate measure by the Public Works Department or other Government agency as to how much fill this site will use?

The Speaker: The Honourable Minister.

Hon. W. McKeeva Bush: Madam Speaker, I doubt it, as the project has not reached that stage.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman. 23rd February, 1996 Hansard 3

Mr. Gilbert A. McLean: The Minister has said that Johnson and Higgins will undertake to develop this park and it will be no cost to Government. Is it the case that they have blindly undertaken this with no idea of what the cost will be to them including the filling and the excavation?

The Speaker: The Honourable Minister.

Hon. W. McKeeva Bush: Madam Speaker, I doubt that a company with the management expertise of Johnson and Higgins would go in to anything blindly. But certainly this Government appreciates their offer to develop a public park where children and families can be entertained in a positive environment.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. The Minister has said that Johnson and Higgins will develop the public park. He also made mention of a sports and recreation centre. Are they going to be involved in the development of this sports and recreational centre or would that be the responsibility of the Government?

The Speaker: The Honourable Minister.

Hon. W. McKeeva Bush: Madam Speaker, all Members of this Honourable House know from statements made by myself, from their questions in the past and from newspaper reports (which I know they have read), that Johnson and Higgins is developing a public park—nothing else.

The Speaker: The next question is No. 11, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 11

No. 11: Mr. Gilbert A. McLean asked the Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture when was authority granted by the Legislative Assembly for the payment of pensions to the various categories of persons termed 'Veterans' who have to date received them.

The Speaker: The Honourable Minister

Hon. W. McKeeva Bush: Thank you, Madam Speaker. The answer: Agreement was voiced in the Legislative Assembly when Private Member's Motion No. 15/94 was moved by the late Mr. G Haig Bodden, MBE, on 16th June, 1994, and was passed unanimously for assistance for volunteer ex-servicemen and their spouses. Actual consent from Finance Committee was received in the Budget Meeting of November 1995.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Is it not a fact that people who received monies from Government as pension were persons who took part in the Vietnam War or were in the Vietnam War zone, for example, and the Motion which was passed in the Legislative Assembly specifically spoke of 200 people who had served in the Trinidad Navy?

The Speaker: The Honourable Minister.

Hon. W. McKeeva Bush: Madam Speaker, in the statement I made yesterday morning I outlined very clearly the process that this financial assistance took. The Motion talked about the Trinidad Volunteer Reserve Group, but Members of this Honourable House in their debate made mention of other areas. Certainly, in the Cayman Islands there existed what was known as the 'Home Guard' which helped defend this country in World War II. When the Executive Council studied the matter, we agreed to extend the assistance to as many as we could, as Members had requested in their debate.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: As this matter was approved by the Legislative Assembly to make these payments to members of the Trinidad Navy, how could Executive Council give approval to include other persons not included in the Motion which was approved without the approval of the House?

The Speaker: The Honourable Minister.

Hon. W. McKeeva Bush: Madam Speaker, that Member should know that the House does not vote funds. It is the Finance Committee that vote funds. As I stated in the substantive answer, it was the Finance Committee that gave the consent

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Madam Speaker, is the Minister saying that the Legislative Assembly is not the body which approves funds and expenditure in this country, and is it not the case that Finance Committee is but a sub-committee of the House which looks after the business of finances?

The Speaker: The Honourable Minister

Hon. W. McKeeva Bush: Madam Speaker, call it what he will—the House does not vote funds. The House might make a recommendation to Executive Council which takes the decision to send the matter to Finance Committee.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. Can the Honourable Minister explain how the numbers were increased from the 200 the Legislative Assembly, and, by the same token, Finance Committee, gave permission to pay these pensions?

The Speaker: The Honourable Minister

Hon. W. McKeeva Bush: Madam Speaker, in a statement yesterday I outlined very clearly the procedure. It came about from recommendations made by the Veterans Association in Grand Cayman, from the Seamen's and Veterans' Association of the Sister Islands; it came about by recommendations from Honourable Members in this House. Also, as I outlined yesterday, the Ministry researched through the Archives which produced a list that contained names which

were not suggested by anyone, but who served in both wars especially World War II. That is how we got our information.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. Can the Honourable Minister state if any of the veterans who received funds in the form of a pension returned that money to the Government if they participated in the Vietnam War?

The Speaker: The Honourable Minister

Hon. W. McKeever Bush: Madam Speaker, as I outlined yesterday some nine persons who received assistance in December were persons who gave their services in the Vietnam and Korean Wars. When Executive Council decided (and the House and the Finance Committee gave approval), we talked about Caymanian ex-servicemen. I do not know who else is going to ask those nine ex-servicemen to give back the funds, but it will not be the Minister responsible for veterans affairs.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: In view of the statement just made by the Minister, is it not the case where people who received Government monies (and therefore public funds) and did not qualify should return those funds to Government? Is it not his responsibility to see about it?

The Speaker: The Honourable Minister

Hon. W. McKeever Bush: Madam Speaker, the people of this country and Members of this House should stop playing politics with what I think is one of the greatest humanitarian acts this country has ever taken. Some nine ex-servicemen received assistance probably amounting to \$5,000. These persons did give their service whether it was in the two great wars or not, and I do not believe this country should go back to them and ask them for the \$800 they each received. I think it will do this country well to leave the matter alone. If they had been killed, Members of this Honourable House would be the first ones to jump up and ask, 'why is the Government not doing something to remember them.'

The Speaker: The last supplementary. The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. Is it not a fact that by virtue of their services (since these men served in the United States Armed Forces) that they should therefore be the primary responsibility of the United States' Government and not the Government of the Cayman Islands?

The Speaker: The Honourable Minister

Hon. W. McKeever Bush: Madam Speaker, it could be that they served directly under the United States Armed Forces, but the fact remains that they are Caymanians who applied and they got through. Bearing in mind that no one

gave service without some sort of pay—no one: not the Trinidad Royal Navy Volunteer Reserves; not the Home Guard, who this House recommended; not anyone. It might not have been a big salary, but I am sure it was appreciated at the time and the fact remains that they did receive payment. Thank you, Madam Speaker.

The Speaker: The next question is No. 12, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 12

No. 12: Mr. Gilbert A. McLean asked the Honourable First Official Member responsible for Internal and External Affairs if Government, through the Police Department or otherwise, granted licences for firearms to bodyguards or such security personnel within the past two years.

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Madam Speaker, the answer: Government has not granted licences for firearms to bodyguards or other security personnel within the past two years.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Member say if he is aware that there may be bodyguards or such security personnel in these islands who offer security services where it is alleged they are armed?

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Thank you, Madam Speaker. Madam Speaker, I am not aware of this and if security guards are armed they are in contravention of the Law.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. Can the Honourable Member say if there have been any applications within this period of time mentioned for security personnel to be granted licences to carry firearms?

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Thank you, Madam Speaker. To my knowledge there have not been any applications for security guards or similar personnel to have firearms.

The Speaker: The Third Elected Member for George Town. Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. Can the Honourable Member state if there is any monitoring of the employees of these firms in order to control and see that these licences are not granted to individuals before they go to work for the security firm?

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Thank you, Madam Speaker. We do not monitor the activities of the security firms, but if any employee, or prospective employee, of a security firm applies for a firearms licence we would know about it. The only licences that are granted for handguns would be to bona fide members of the Gun Club.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Honourable Member say if there has been any application from a mysterious person who, it is said, is a billionaire living in these islands (Mr. Kenneth Dodd) for firearms licences for bodyguards who protect his property and family?

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Thank you, Madam Speaker. No there has not been.

The Speaker: The next question is No. 13, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 13

No. 13: Mr. Roy Bodden asked the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation to state whether there have been any objections to the proposed drug rehabilitation facility in Breakers.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Thank you, Madam Speaker. Some objections have been received by the Ministry from a polling survey which has been conducted in accordance with Planning Regulations. The Survey is designed to poll landowners of property located with a 1,500 foot radius of the proposed Breakers Rehabilitation Centre. A letter explaining the proposed project accompanied the polling form. A total of 45 letters were sent from the Ministry to local addresses. The Ministry has been advised by the Planning Department that it has also received some objections for the same project, but the extent of this is not yet known by the Ministry.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. Can the Honourable Minister say, with those objections received and perused, what the basis is for these.

The Speaker: The Honourable Minister.

Hon. Anthony S. Eden: Madam Speaker, that was not part of the questionnaire that went out. I cannot say if there was anything definitive in there on that.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: I wonder if the Minister could say, of the 45 letter sent out, how many objections have been received?

The Speaker: The Honourable Minister.

Hon. Anthony S. Eden: Madam Speaker, due to the fact that the polling is not completed, I would prefer not to answer that at this time. But when it is completed I will share it with the Honourable Member. It has not yet gone to Planning for final approval.

The Speaker: The next question is No. 14, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 14

No. 14: Mr. Roy Bodden asked the Honourable Minister responsible for Agriculture, Environment, Communications and Works to inform Honourable Members as to the status of the 9-1-1 Emergency System.

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker. The answer: The Enhanced 9-1-1 Emergency System is progressing according to schedule. The contract for the provision of the entire system has been awarded and is to be installed and tested in May and June. Staff recruitment is currently underway which, when completed, will lead into an extensive training programme. The training programme will continue throughout the scheduled implementation stages. A major public education programme is about to commence which will provide insight into the use of this new Emergency System, and will include not only the general public, but all of the schools as well. The target date for the system going on-line will be September 1996. There will be an extended testing period after the installation to ensure a smooth transition. Madam Speaker, I will undertake to keep the House informed of progress.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Minister say whether it is a fact that the site has been moved from what was originally planned and built (at the Fire Station), to someplace else?

The Speaker: The Honourable Minister.

Hon. John B. McLean: Thank you, Madam Speaker. The answer is yes. The new site will be the Police Department.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. Can the Honourable Minister provide this House with the reasons for this move, when the site at the Fire Station was specially built to house the emergency system?

The Speaker: The Honourable Minister.

Hon. John B. McLean: Thank you, Madam Speaker. The Member is far from being right. The building was not especially built for the 9-1-1 system. It was going to be housed in a portion of that building, but after having conducted a final evaluation of the project (prior to entering into the contract for the system) it was determined that the majority of calls are of police nature. With the grouping of EMS and Police in Central Dispatch, and utilising the same staff there would be a savings of approximately \$378,000.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Minister say whether there had to be any modifications or work done on the site at the Police Station where this system will be housed?

The Speaker: The Honourable Minister.

Hon. John B. McLean: Thank you, Madam Speaker. No modifications were necessary.

The Speaker: The next question is No. 15, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 15

No. 15: Mr. Roy Bodden asked the Honourable Third Official Member responsible for Finance and Development to state how much money has been paid to date on the loan contracted by the Civil Aviation Department in 1987.

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, the answer: The sum paid against the loan of \$16,843,626, to date, is \$1,419,841.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. Can the Honourable Member state what the duration of this loan is?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: The time period is for 40 years.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. Can the Honourable Member say whether the figure of \$1,419,841 represents regularly scheduled amortised payments?

The Speaker: Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, the bulk of this figure represented a combination of adjusting entries to recognise the indebtedness of Cayman Airways to the Civil Aviation Authority. This was dealt with by a provision made in the 1995 Estimates when it was presented to this House.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Honourable Member say if this amount was passed on to the Civil Aviation Authority as a payment because of indebtedness by Cayman Airways? I wish to find out if this amount was taken into consideration with the annual subsidy to Cayman Airways.

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Yes, that amount was taken into account in addition to the annual subsidy.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Is the Honourable Member in a position to give the House the outstanding balance on this loan at this time?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, the outstanding balance would be approximately \$15,400,000.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: In a previous answer to a supplementary question the Honourable Third Official Member stated that the amount was taken into consideration in addition to the annual subsidy to Cayman Airways. For clarity, does it mean that this amount was written off in addition to the amount which Government subsidises Cayman Airways with on an annual basis?

The Speaker: Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, rather than saying that it was written off, it was an adjustment against the loan balance which brought about a reduction in the amount owing to the Government. But this has been recognised in the Government's record as an equity interest in Cayman Airways. So the amount has not been lost.

The Speaker: The next question is No. 16, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 16

No. 16: Mr. D. Kurt Tibbetts asked the Honourable First Official Member responsible for Internal and External Affairs to state the process by which individuals are recommended and chosen for the Queen's New Year's and Birthday Honours.

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Madam Speaker, the answer: Twice a year His Excellency the Governor requests nominations from Senior Civil Servants for awards to deserving individuals. Any Member of the public may make written recommendations to His Excellency the Governor for an award to a deserving individual. In making a recommendation it is

stressed that long service is not sufficient grounds for the award. A firm policy was made by the British Prime Minister, John Major, that honours should be awarded on merit for exceptional achievement or service over and above what normally might be expected, and that meritorious work in the voluntary sector and service to the community should have more emphasis. Awards should not be automatic or follow simply as a result of doing a particular job. The decision in respect of nominations for awards is made by His Excellency the Governor in his sole discretion.

SUPPLEMENTARIES

The Speaker: The Elected Member for North Side.

Mrs. Edna M. Moyle: Thank you, Madam Speaker. The Honourable Member's answer stated that '...a firm policy was made by the British Prime Minister, John Major, that honours should be awarded on merit for exceptional achievement or service over and above what normally might be expected...'. We have just recently had some awards made because of people's involvement in the Cuban Refugee crisis. Was this not their normal job?

The Speaker: That is an expression of opinion. I do not know if the Honourable First Official Member is required to...

Hon. James M. Ryan: Madam Speaker, I might simply say that I do not think that was an ordinary job for any of the civil servants or other persons involved.

The Speaker: The Elected Member for North Side.

Mrs. Edna M. Moyle: Would the Honourable Member say if, when he refers to His Excellency the Governor this is the Governor on his own, or is the Executive Council involved in this process and nomination?

The Speaker: Honourable Member, I think it was clearly stated that the decision is by His Excellency the Governor in his sole discretion, which excludes Executive Council.

The next question is No. 17, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 17

No. 17: Mr. D. Kurt Tibbetts asked the Honourable Minister responsible for Agriculture, Environment, Communications and Works to explain why Planning approval was refused for one of the proposed buildings for the Department of Environment on North Sound Road.

The Speaker: The Honourable Minister.

Hon. John B. McLean: Thank you, Madam Speaker. The answer: The Central Planning Authority, in a letter to the Department of the Environment dated 12th December, 1995, gave the reason for refusal of MRCU's out-building as "...the concerns raised by the objectors are valid". These concerns related to: (i) noise and waste associated with the maintenance of vehicles; (ii) the impact of chemical storage, mixing and preparation in the surrounding areas; (iii) groundwater contamination from washing vehicles, the repair operation

and chemical spills; and (iv) air contamination and chemical smells as well as airborne chemical residues or vehicle emissions. These concerns must be evaluated in the context of the facts presented to the Central Planning Authority that: (i) no vehicle maintenance will be carried out on site, only calibration and testing of three fogging machines; (ii) there will be no storage of fogging chemicals on site; (iii) amenity damage, although pronounced during the construction period, will be restored once the project is complete; and (iv) there will be no garbage trucks parked on site to cause air contamination.

SUPPLEMENTARIES

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Honourable Minister say if construction at any level had begun on the building?

The Speaker: The Honourable Minister.

Hon. John B. McLean: Thank you, Madam Speaker. The answer is no.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Based on the fact that Planning approval was denied, can the Honourable Minister state the Ministry's intentions regarding the situation at hand?

The Speaker: The Honourable Minister.

Hon. John B. McLean: Thank you, Madam Speaker. The Department of Environment, not the Ministry, has appealed the decision.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you for the clarification. Can the Honourable Minister state what the basis of the appeal by the Department is? DISALLOWED (Expression of Opinion)

The Speaker: I am afraid that asking for an expression of opinion. The Honourable Minister is not allowed to do that.

Mr. D. Kurt Tibbetts: Madam Speaker, if the Department has appealed the decision they would have stated their reasons for that appeal. I am not asking for an opinion. I am asking for the reasons for the appeal.

The Speaker: Honourable Minister can you answer that?

Hon. John B. McLean: Thank you, Madam Speaker. Just to say if something is on appeal I would not want to state what we are appealing on. I think that would have to be heard first.

The Speaker: The next question is No. 18, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 18 (Deferred)

No. 18: Mr. D. Kurt Tibbetts asked the Honourable Minister responsible for Tourism, Aviation and Commerce to provide an update on the Pedro Castle renovation project.

The Speaker: The Honourable Minister for Tourism.

Hon. Thomas C. Jefferson: Thank you, Madam Speaker. I beg leave under Standing Order 23(5) to have this deferred to a future meeting.

The Speaker: The question is that the answer to question No. 18 be deferred until a later date during this sitting. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The answer is accordingly deferred.

AGREED. QUESTION NO. 18 DEFERRED.

The Speaker: Other Business. Suspension of Standing Order 14(2). The Honourable Minister for Education and Planning.

SUSPENSION OF STANDING ORDER 14(2)

Hon. Truman M. Bodden: Madam Speaker, I move the suspension of Standing Order 14(2) to allow Private Members' Motions to continue.

The Speaker: The question is that Standing Order 14(2) be suspended in order for Private Motions to be considered at this time. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it.

AGREED. STANDING ORDER 14(2) SUSPENDED.

OTHER BUSINESS

PRIVATE MEMBERS' MOTION

PRIVATE MEMBER'S MOTION NO. 2/96

DREDGING OF THE NORTH SOUND

The Speaker: The First Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Madam Speaker, I beg to move Private Member's Motion No. 2/96, entitled, Dredging in the North Sound, which reads:

"BE IT RESOLVED THAT Government consider commissioning an environmental impact study by recognised experts in the field, to be paid for by Government, and if the study finds that some further dredging may be done within acceptable limits, that Government tender the dredging works, secure the marl for use in

public infrastructural development such as roads for the Island and sell any surplus marl;

AND BE IT FURTHER RESOLVED THAT Government halt all dredging or proposed dredging until the said study has been presented to the people of the Islands and the Legislative Assembly for consideration and debate."

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. I beg to second the Motion.

The Speaker: Private Member's Motion No. 2/96 has been duly moved and seconded, and is now open for debate. The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Thank you, Madam Speaker.

This Motion before the House relates to the question of dredging in the North Sound, something which has been ongoing now for many years; something which produces on one hand material from the ocean floor for fill and other such purposes, and also from an environmental point of view causes considerable damage to the marine world.

The material that is taken from the North Sound is known as "marl", and there are different quantities and qualities of the various types (some ingredients of it being silt which is unusable, not settling into any solid form). The Motion which is now before the House recognises that there has been massive dredging in the North Sound over the years.

Since the time of one major study, the Wickstead Report, successive Governments—including this one—have allowed people to dredge the North Sound without the benefit of any scientific study or knowledge of the damage to the environment. In recent times there has been much said about dredging, particularly that the Government of the day has gone to great lengths to deny that it has given approval for what would be the most major dredging operation that has ever taken place.

It is well known that there has been some talk of dredging since last year when I asked the Minister for Agriculture about applications for dredging, and whether or not any had been approved. The answer then was that there had been applications and that some had been approved in principle. Little more than that was forthcoming. However, the public—which tends to be concerned about matters of the environment, even if the Government is not—had become aware that approval was given for a major operation in the North Sound.

It went on to the extent that all the Members of the National Team issued a letter in the newspaper of the 22nd of January, saying that there had not been any application to dredge the North Sound 65 feet deep and 600 feet wide, which was signed by all the Members associated with the National Team Government. It was clearly an attempt at semantics and an attempt to try to hide the fact that the Government had given approval it was just a question of how deep.

When matters continued and there was persistence (by the newspaper, for one) that there was an approval on the 12th of January, two Ministers (the Minister for Commu-

nity Development and the Minister for Tourism) were quoted in the newspaper stating that they were surprised to hear that there was, and that they were unaware of a dredging application which had been approved in principle. I seriously questioned that position.

As Ministers of Government they must know if approval was given since it is given by Executive Council. Whether or not they were present at the meeting when the approval was given, they are privileged to papers concerning meetings. The only other thing could be that they did not read their papers, or that they were excluded from having those papers, which no one would believe.

This operation was given approval for six million cubic yards of fill to be dredged, as noted in the newspaper of Friday, the 12th of January, 1996. According to the newspaper (and I did speak with someone associated with the article) they had asked for some technical advice when they said "...to take that amount of fill it would equal a channel 6.82 miles long by 300 feet wide by 15 feet deep.". That was quite accurate in terms of engineering calculation. What we now know about the dredging in the North Sound is that the Government gave approval to dredge from, say the tip of West Bay, straight up to Newlands—six million cubic yards was the amount approved.

The Ministers cannot convince the country, nor anyone who knows anything about the Government's process, that any Permanent Secretary would have written a letter saying that there was an approval without it having been approved by the Executive Council. No Permanent Secretary would have done that. So it was approved!

On the 25th of January the Government, having realised that the word was out on this matter, admitted through the Minister for Agriculture that, 'Yes, approval had been given.' No doubt the Government heard that the newspaper had certain information, evidence and documents. Certainly, I had received in the mail documents relating to that operation. I think it is very critical to know that approval was given from the 11th of September, 1995, from the Ministry of Agriculture, Environment, Communications and Works.

A copy of the letter I received was addressed to Mr. Heber Arch, c/o Arch and Godfrey Cayman Limited, Box 233 George Town, Grand Cayman and it reads: "**Dear Mr. Arch, Re: Intercostal Waterway Proposal—North Sound I am directed by His Excellency the Governor to advise that approval in principle has been granted in respect to your North Sound proposal dated 12th of July, 1995, which would serve to link all canal developments between Batabano and Omega Bay as well as the Main Channel. Please be advised however, that approval for the issuance of a costal works licence to dredge the 6 million cubic yards of material, is reserved at this time, following the outcome of a full technical review of the application including an Environmental Impact Assessment by a firm approved by Government and at the expense of the applicant.**"

The map attached to the letter shows the cut along the coastline. It shows a 600 foot trench and it shows 18 feet on it as being the depth. Madam Speaker, I would like to table these two documents. This particular approval is so massive that it is good reason for the Government to try to hide the fact that the approval had been granted. It would be covered up to this point in time, in my opinion, had the in-

formation not become available to the press, myself and others who have received it.

What is peculiar is that this approval is given to the Chairman of the Planning Authority, a chairman—politically appointed by the present Government; being the person who would chair a meeting of the Planning Board when, it is my understanding, Planning comes into the process of approval for dredging.

POINT OF ORDER (Misleading the House)

Hon. Truman M. Bodden: Madam Speaker, I would like to take a point of order.

The Speaker: Honourable Minister, may I hear the point of order?

Hon. Truman M. Bodden: The Honourable Member is misleading the House, he knows that under the Constitution dredging is dealt with only by the Executive Council, not by the Central Planning Authority. That is a fact. He is misleading the House by saying that the Central Planning Authority deals with dredging. That is an impossibility.

The Speaker: Second Elected Member for Cayman Brac and Little Cayman, perhaps you would like to correct that.

Mr. Gilbert A. McLean: Madam Speaker, I cannot accept what the Minister has said, in that it is my understanding that the Planning Department does play a part in the consideration of dredging operations in this country, and has in the past, including when people had to give notice of areas to be dredged which could be viewed at the Planning Department. That is the point I am making. I am not trying to take anything away from the Executive Council. In fact, the point I am making is that the Executive Council gave the approval and did their best to deny that the approval was given.

The Speaker: I still think that the Minister has a valid point. Approval is given by Executive Council and it is not considered by the Planning Board, as such. I must accept that, and I ask you to retract that in your speech, please. Thank you.

Mr. Gilbert A. McLean: Madam Speaker, if that is the way it is presently played, then that is the way it is. I really do not know. It is a very confusing state of affairs with dredging in any event, particularly based on what the Auditor General has found out about it. But if that is the way it is, that is the way it is. I suppose that is the policy of the Government at this time.

Madam Speaker, the amount of fill which is approved to be dredged—six million cubic yards—at an easy figure of \$10 per cubic yard for sale of that, would place in the hands of anyone with the approval \$60 million. I understand that at this time marl is selling as expensively as \$11.25 per cubic yard.

I would like to say at this point in time that the Governor said in his Throne Speech, on behalf of the Government of the day, that there will be no more dredging in the North Sound. He then went on to name who could dredge. I want the Government (and I call on the Government) to tell the people of the Cayman Islands and this House that they do not have the

slightest intention of allowing this dredging which has been approved by them for six million cubic yards to take place.

The information that I have is that this was said because of the fact that there is a lot of heat on now regarding the dredging deal. It is their belief that they shall be re-elected in November, and this particular dredging operation will indeed go on as planned. The situation is one where everyone in this country should be concerned. Some of us Legislators who have heard about deals behind the scene with this particular dredging operation, that there is much more than meets the eye; that there are bigger and more sinister forces behind this operation benefiting from it which would create special areas in the North Sound, eventually leading to (from what has been said to me) special islands, where special people would live, where considerations have been given to possible gambling in the North Sound

Hon. W. McKeeva Bush: [laughter]

Mr. Gilbert A. McLean: The National Team has said that this is not so in their letter of the 22nd, but they also denied that there was an approval given. So I wonder what the situation is regarding the rest of what I have mentioned.

Madam Speaker, I would like to speak a bit on the reasons why dredging in the North Sound should be halted. First I would like to look at the economic and the management process of Government regarding how it is handling dredging; the collection of its fees, its royalties and the rest of it. Until that can be reversed, then Government should not even think of any further dredging, but should be trying to collect the money that is owed to it.

I have tried to find information on the matter of dredging, and I have found some external to the island, but certainly the only reference that I think exists with specific points on dredging is that which has been done in the Auditor General's Report. Perhaps in support of what the Minister has said, the Auditor General makes the point (on page 29 under 'Dredging Royalties') that, **"Dredging and other coastal works are authorised by the Governor in Council. Coastal works include the construction of docks and jetties and may be defined as works carried out on Crown property seaward of the high water mark. My predecessor last examined this subject in 1986 and disclosed that up to 80,000 cubic yards of material had been dredged without adequate controls. The dredging licence in question was open-ended and had no time limit or physical excavation boundaries. This report also highlighted that Government would gain only one acre of filled land in lieu of royalty fees. In fact, the land in question was not transferred to Government until 1994, some 11 years after the dredging licence was issued."**

He goes on to mention **"The Public Accounts Committee noted the loss of potential revenue and recommended that guidelines be established for future control of dredging projects. The Government Minute only addressed the specific project reported by my predecessor."**

Madam Speaker, that gives a synopsis of what dredging was and is, and apparently continues to be in the Cayman Islands; something which has a very serious impact on the very environment that we boast so much about—the marine environment; one of the chief attractions in this country for people visiting these shores, upon which the whole concept and saleability of Tourism is, in effect, built.

The Auditor General looked at five basic areas when he went into a considerable examination of dredging. In fact, in his 90 page Report he took up 10 pages to deal with this matter (I daresay, due to the fact that it had such environmental impli-

cations, and because of the loss of revenue to Government). The Auditor General spoke about **"...the deficiencies in assessing the royalty fee structure; the inadequate control and supervision to determine they quantity of material extracted and the royalty payable to Government; swaps of land and fill material in exchange for royalty debts; the absence of appropriate debt recovery action; and problems in monitoring dredging activities effectively."**

When he looked at the assessment of the royalty fee he made some very surprising, and I think startling, discoveries. I will read a few lines from the Report where it states, referring to a table: **"...royalty rates have ranged between 25 cents and 50 cents per cu yd of dredged material."** That is applicable to people who sell it at \$10.00 per yard, and to those, including Government, who pay market prices when it is sold.

He also says: **"The Lower rate of 25 cents appears to have evolved in 1987 on projects A and B [and A and B were SafeHaven and the North Sound Marl Pit] compared to a 'standard' charge of \$1 per cubic year. The DIT [Dredging Inspection Team] recommended the concessionary rates of 25 cents and 50 cents per cu yd for Project B [the North Sound Marl Pit project] in order to compensate the licensee for the commercial risks associated with the project."**

These things are most peculiar because the ocean floor of the North Sound belongs to the Crown, the people of the Cayman Islands. It does not have to be disturbed, for starters; and if someone wishes to disturb it, they go in knowing (like any business) that there are certain risks. Where does the situation begin or end that Government grants certain concessionary charges because of commercial risks?

The Auditor General did note, and I quote: **"These rates appear to have become the established norm for a period. However the PCU [Protection and Conservation Unit] has consistently recommended a minimum standard royalty fee \$1 per cu yd, where a suction cutter dredge is used, or \$2 per cu yd for the more environmentally harmful drag-line method of extraction."**

This relates directly to damage to the marine environment; what Government might get, does get, or should get as a royalty, and the killing that is done by the people who dredge.

The Auditor General also notes that there has been only one case where the \$1 was implemented. He is also quoted as saying, **"There was no evidence on project files of any link between the royalty fee payable and the commercial value of material extracted."**

We have reached the point in time where large areas of the North Sound have been dredged, and the dredging of these areas has virtually brought little or no money to Government, as compared to what the people who get permission to dredge earn from it (such as those who fill land and those who sell marl). I have tried, with the assistance of someone in the Real Estate business, to get a list of some of the places that have been dredged in this country where the land from the ocean floor (the people's land) had been taken to make subdivisions for particular persons or companies. I have come up with something like 19 places.

Among them is: North Sound Estates, Sunrise, Patrick's Islands, Omega Bay Estates, Bonnieview Estates, Admiral's Landing, Red Bay Estate, Brittany Bay, Herron's Landing, J's Subdivision (in the back of Industrial Park), Snug Harbour, The Landing, The Links, Crystal Harbour, Governor's Sound, Cayman Islands Yacht Club, Vista del Mar, an unnamed subdivision near Salt Creek, The Shores. Madam Speaker, if one looks down on this country when flying across the North Coast (like on the way to Cayman Brac) there are huge areas of marl dredged in.

Take Brittany Bay, for example. One does not see a single house there. It does not even look as if there is shrubbery. Huge areas have been dredged in from which people who own these properties can profit. As far as I am able to gather, there are about 1,000 lots (on which there are no buildings) available. Again from the information that was available to me, the person suggested that perhaps about 40 houses per year may be built from which perhaps 25 years of inventory could be realised. So the question comes back: Why do we allow further dredging for subdivisions which immediately destroy the mangroves? Why does the Government allow it to happen? If it is marl for roads, then we need to decide and determine where these roads are because there are a few roads being built in this country and, indeed, there are more that need to be patched with hot-mix and asphalt. From what was uncovered by the Auditor General in informal enquiries by the Protection Conservation Unit, production cost (loaded) was about \$4.25 per cubic yard using the cutter dredge, and \$3.50 per cubic yard for the less expensive dragline method. Government royalty fees over the years appear to be static.

The Auditor General has also said, "**Revenue maximisation does not appear to have been a policy objective and there is considerable evidence of various concessions being provided to licencees.**"

Madam Speaker, is this to continue?

Is the Government to allow this to continue?

It seems so, because it is doing exactly that by allowing dredging to continue.

Then what of the quantities of marl that have been taken out of the North Sound?

One must wonder. The Auditor General offers a thought on that as well when he says: "**As a basic control measure, regular reports of the quantities of dredged material removed from the licensed area should be made by the licencee's surveyor to the Protection Conservation Unit. In earlier projects these reports were supposed to be submitted at monthly intervals, but current practice stipulates weekly reports. Examination of departmental files confirms that this reporting requirement is ignored by most licencees.**"

How can the Government even think of allowing further dredging in the face of these conditions? We have not heard about any enforcement of the rules. We are hearing about more dredging. It says, "**No action has ever been taken by either the Ministry or the PCU to enforce submission of dredging volume reports.**" In other words, what we are looking at is people given licences to dredge, and they are supposedly going to dredge 1,000 cu yards, but they may dredge 100,000—and they dredge. They do not make any reports. Neither the Ministry nor the Protection Conservation Unit does anything to insist that reports be made and check the accuracy.

The Speaker: Honourable Member, do you expect to finish your presentation shortly?

Mr. Gilbert A. McLean: No, Madam Speaker. I have quite a bit more I would like to present on this particular Motion.

The Speaker: May we take the suspension at this time for 15 minutes? Proceedings are suspended.

PROCEEDINGS SUSPENDED AT 11.31 AM

PROCEEDINGS RESUMED AT 11.58 AM

The Speaker: Please be seated. The Second Elected Member for Cayman Brac and Little Cayman, continuing.

Mr. Gilbert A. McLean: Thank you, Madam Speaker.

When we took the suspension I was speaking about the findings of the Auditor General relating to the quantities of material dredged up, how there is really no accurate way to know if what the licensee is claiming is true or not. It seems they do not even so much as bother to send in reports to Government; and there is little or no enforcement against this.

It is further noted in this regard by the Auditor General that, "**...first in the absence of a detailed hydrographical map there are real practical problems in calculating the volume of material removed from the borrow pit. As a result the total amount of royalties owed to Government including any penalty amount for excess quantities removed cannot be established.**"

Yesterday the Financial Secretary was speaking about a Debt Collection Unit. Indeed, it is on the front page of the newspaper today. I wonder if this is going to be included in that particular amount. How can the Government even consider the idea of more dredging without collecting the money which is owed in instances like this? I know a lot has been said about there being a shortage of marl. Well, up until now I have not heard where this shortage is taking place. I understand there is marl available on the island, and I know of no road works (including the claim about the Harquail by-pass) where there is not sufficient marl, if marl is to be used. I also know that the major supplier of rock fill material claims that there are large stock piles of it available.

So what is the real reason behind the idea of further dredging—even though Government says no more dredging of the North Sound?

The Motion speaks about Government taking an active role on behalf of the people to ensure that what is in the licences, or what is done with dredging, is legal. There is also a comment regarding that as well by the Auditor General when he says; "**...there would be much better control if surveys of the burrow pit could be carried out by surveyors appointed by, and reporting to, Government instead of the licensee. This would provide an independent confirmation not only of the quantity removed but also compliance with the specific terms of the licence, especially areas dredged and depth of cut. Excessive depths have been a feature of earlier projects and are an important environmental consideration.**"

The Government was quite gleeful when I read the letter where they gave approval for the six million cubic yards and where it said that they required an assessment on the dredging. The difference is that when you tell the person who wants to take that marl to find someone to do an impact assessment, what comes into play there is (to whatever degree it might reasonably come in, even from a scientific perspective) for them to show good cause why the employer of that impact study can do what they want to do. With Government, they would simply be looking to get the hard cold facts (as it might be said scientifically) for better or for worse.

That was a recommendation by the Auditor General. Indeed, that is the recommendation in the Motion before this House—that it must be done by Government. Government must pay to have an assessment done, not the person who wants to dig six million cubic yards of marl out of the North Sound.

On page 33, the Auditor General again notes: "**There is evidence of several licensees exceeding the authorised duration of dredging licences, apparently with impunity.**"

Those are strong statements made by the Auditor General of this country reviewing this particular situation.

He draws reference to the Shores dredging operation where he says that the licensee had permission to work for 10 months. It should have ended by March or April of 1995. **"The original project appears to have been completed by November 1994, including additional 19,623 cu yds dredged at the request of Government to assist neighbouring land-owners."**

What that means is difficult to understand. This company was given permission in 1994 to dredge 200,000 cubic yards for re-sale to the public. That approval did not go to the Environmental Assessment Committee, or to the Protection and Conservation Unit, it was simply approved by Executive Council—which claims that no more dredging will be carried out in the North Sound; but you, and you can dredge.

Of very great significance on this question of dredging and the present state of affairs, which impacts on what Government has done and is doing, is where the Auditor General notes, **"I could find no relevant and reliable evidence of the total amounts dredged for any of the five projects examined, all of which have, or should have, terminated. As a result I am unable to calculate the total amount of royalties payable by each of the licensees. Closer study revealed a disturbing history of inertia by those involved."**

There needs to be a halt put to dredging. No more dredging until all of these matters can be attended to. Now, of amazing significance is the question of debt collection in relation to dredging which has taken place, and which is to take place.

On page 35 the Auditor General notes: **"Although royalty arrears have existed since February 1991 these have not been disclosed to the Legislative Assembly in the annual Statements of Arrears of Revenue. The most serious arrears case [is North Sound marl pit], where at least \$85,125 has been owed since February 1991, and [George Town Barchadere], where \$37,872 plus interest, has been owed since 1982."**

He comments further: **"It is pertinent to disclose that between 1991 and 1993 Government departments purchased fill material costing \$379,000 from [North Sound Marl Pit]. These substantial purchases were never linked with the licensee's failure to pay dredging royalties and Government did not exercise any common law right of set-off."**

I am reliably informed that the persons associated with these two projects here identified are the same people who have been given approval by Government to further dredge the North Sound. What sinister, unbelievably corrupt conditions could exist that could bring about such a thing?

How can any one individual be a friend of the country, owing that kind of money to the country, and be allowed to further dredge when we know that (for starters) Government cannot accurately determine the amount of dredging that has already taken place? How can it be done?

How can it be done without a direct study commissioned by Government to have dredging in the North Sound assessed?

It should not be done. It is questionable in every way, shape and form. In this particular instance, the Auditor General also states: **"Following the audit inspection, there has been a series of meetings and exchanges of correspondence with the licensee in an attempt to collect royalties owed. However, no further payments have been made. The licensee has attempted to link payment of outstanding royalties to an extension of the dredging licence, but to date this proposal has been resisted. None of the arrears cases have been referred to the Legal Department."**

It seems as if there is no further resistance if, indeed, the licensee can now continue to dredge I think some of these conditions here are a result of crony-ism—friends of the Government. It has been in the past and is in the present—it could not be otherwise in the face of such illegalities and monies outstanding to Government. Of course, there are the Environmental issues which have to be taken seriously into account.

I see where the Auditor General has said: **"Dredged marl has been essential for road construction and land reclamation in recent years, and A significant element of the Islands' economic development is based on the construction industry. No comprehensive studies have been carried out to establish how much land reclamation is desirable in the long-term or the forecast quantities of dredged marl which will be needed in future years."** This is what the Motion which is before the House is asking, that such study be done, such determination be made so that we can move from a position of being reactive, to being good friends and neighbours.

The Environmental side of things is such that we should all be concerned, bearing in mind the hundreds of acres of mangrove which has been removed. Anyone who knows anything about the North Sound, since all the dredging has taken place, would be aware that in a Northwester, or any kind of strong wind (northeast or otherwise) the North Sound now turns to a sea of milk. I have witnessed that with the dredging going on in the North Sound. I have also seen the North Sound with a strong Northwester blowing—it does not have to be that strong for that matter. We should all be concerned about the problem of turbidity being created due to dredging.

I have here a study done by Metro Dade County Environmental Resources Management, entitled "Biscayne Bay Restoration & Enhancement Program." It is a summary report on its physical and biological characteristics. I would just like to read a few brief extracts from it relating to what happens when the bottom is dredged, when that turtle grass and that seaweed and all of that stuff we know in the North Sound has been removed, and what they have found. I am told this is an ongoing study and survey there.

I quote from page 33: **"Seagrasses reduce turbidity by trapping suspended material and stabilizing bottom sediments. Seagrass blades act as a baffle, slowing currents and allowing fine-grained sediments to settle out of the water. The dense root network of some seagrass beds, especially turtle grass, inhibits erosion of the substrate, even during strong storms and hurricanes."**

I guess we can picture in our minds where we would stand in terms of strong storms and hurricanes for the amount of dredging where the seagrass is gone.

On page 35 the comment is made in the summary of this study: **"Rather, repetitive suspension of soft, fine bottom sediments from dredged areas within the Bay appears to be the main cause of persistently high turbidity levels."** I am wondering if the Government has no concern that these things are happening and will occur in the North Sound.

Something that is dear to many of us is the question of fishing, where the report says: **"Statistical analysis shows that seagrass is the single most important factor for those areas tested in determining the abundance of most of the important species of fish. This analysis also suggests the abundance of many species increases with increasing grass density. A significant positive correlation in seagrass density was found for all species of fish, except sand perch. This suggests that some increase in fish abundance could be realized (at least theoretically) even in existing seagrass areas if density could be increased. Conversely,**

low fish abundance and diversity appears to be correlated to absence of seagrass and high turbidity."

One of the things the environmentalists keep telling us about the North Sound is that it is the place where the juvenile fish come from. They are born there, and from there they go out to inhabit other areas of our island. There is a chart here that gives some really incredible figures. In the report it says: "**Considering the usual direction of environmental change, it is pertinent to assess the potential loss in fish abundance if seagrass or hard bottom communities are destroyed.**"

They deal with grunt, snapper, all fish, crustacean and fauna. What is found? Where the hard bottom is dredged, Grunts (which we know) will be reduced by 64%; Snappers by 95%; All fish by 64%; All crustaceans (conch, lobster, the like) 34% and all Fauna 51%. The decrease where turtle grass was removed was: Grunts by 91%; Snappers by 99%; All fish by 90%.

On the opposite side: "**From the opposite perspective, if a given area of barren, dredged bottom could be converted to sea grass habitats, the theoretical percentage of increase in average biomass for that area would be: Snappers 7300%; Grunts 1043%; All fish 874%; All crustaceans 172%.**"

There is a problem in the North Sound which is being ignored by Government for reasons which are secretive and not borne out about concerns for fill material. We do not need six million cubic yards of fill in this island for Government to carry on its work.

I have a photograph of the dredging in the North Sound by one of the people given permission to dredge. There are no traps, no diopters there for catching the silt, and so on. I have seen this while flying between here and Cayman Brac. If a proper scientific study by the Protection and Conservation Unit were done, we could have this type of thing (which is a picture of the Port of Miami with dredging going on, as much, perhaps, as is being dredged in that other photograph) where you can see only the slightest discoloration at the edge because it is being properly done.

I would like to table these two photographs, and I have sufficient copies to give to every Member of this House. Later I will ask the Serjeant-at-Arms to hand them out for the benefit of all to see. I wonder whether we want the type of situation shown in the North Sound to continue, or whether we want a complete study to see what should be done.

The Government, in its usual style, says that it is doing what my colleague (the First Elected Member for Bodden Town) and I ask to be done. But during the Throne Speech a Minister was most animated and heard to later say, "See how we knocked the wind out of their sails? We said there is not going to be any more dredging."

What the Government says and what the Government does are two different things. I do not believe the Government really means there will be no more dredging, because in one breath they say there will be no more dredging, but two more people can dredge—and without any kind of study whatsoever of what has happened in the past, what is to happen now and what will happen in the future.

We do not know what our damage is to date. Certainly, one outstanding point needs to be made: The marl in the North Sound is for the Crown. It is for all of the people of the Cayman Islands, and not for any one particular individual

or company. If more marl is to be taken from the North Sound, the people should have first and exclusive access to it. It should not be taken by people to whom Government must go to buy marl, even when they owe Government hundreds of thousands of dollars. It should be taken by Government if such can be proven to be acceptable within reasonable limits of damage.

Government should use that marl for the benefit of the people of this country on a whole. Let the Government then be the one to sell marl to gain the millions for the Government Treasury. The Motion before the House is not defeated by Government stating that there will be no more dredging in the North Sound—but Caymarl can dredge, and Simons' Enterprises can dredge . . . but in the meantime hundreds of thousands of dollars are outstanding to Government.

This Motion is not defeated by that because one of the main concerns is the need to find out just where we are now and just how much damage has been done. Can there be more dredging right now? Which boats are to be accommodated in the George Town Barcadere that cannot be accommodated there now? There are no answers to these questions.

So this Motion with all of its consideration is before this House, and well-thinking legislators who do not want to see damage done to the North Sound, who believe that Government should be accountable, and who believe that Government has a right to its fees and taxes will support this Motion. Those who do not will vote to defeat it. I leave the matter to the will of the House.

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker.

I have to reply on behalf of the Government to the Motion which is before this House. I would like to start by saying that I have never heard so many professionals on dredging in the North Sound as I have heard over the past few weeks. It is interesting to know that with so much dredging which has taken place in the North Sound over the 33 years that this interest has grown overnight simply to try to find something to introduce to the political bandwagon. I am not going to say anything different than what has been said before.

As far as I am concerned (and until I left my office this morning) I know of no coastal works application being filled out for the dredging which has caused so much stink in the North Sound. That is the only way that approval could be granted by the Government of the Cayman Islands. I know that those who constantly talk about this matter are sensible people. No doubt they understand what approval in principle means. But it is constantly twisted to make it sound as if the Government has taken no steps to deal with dredging in the North Sound properly; it is made to look as if we allowed them to go there and take six million cubic yards of material.

I even heard the last speaker say that no Principal Secretary in his right mind (I think he said) would go ahead and sign a letter on his own: Yet, he turned around and read the same letter which began by saying; "**I am directed by His Excellency the Governor to advise that approval in principle has been granted.**"

How far are we going to take this thing?

This one issue has taken more time . . . and, of course, the usual advocates get out there among the people and stir them up just for the sake of politics. They are going to stand in here and tell us that they care so much about this country and the North Sound?

Dear God!

It is a good thing that the good Lord is not like man, and man not like the Lord. I tell you, I do not think some of them would step in here or leave this Chamber. It is ridiculous, Madam Speaker, especially to constantly introduce individuals' names and accuse the Government of having special friends. Perhaps they do. They speak for themselves. But when I enter these hallowed Chambers, I leave my friends outside.

I wish for it to be stated clearly that all of the remarks in the Auditor General's Report with regard to outstanding royalties were not licences that were granted by this Government. If the last speaker had only waited until I had an opportunity to address a question which is before this House, he would have been better informed as to how much of that royalty is outstanding.

There is also a section in the Auditor General's Report that deals with dredging in Cayman Brac since the time that the last speaker has been in this House. I wonder why that was not read. Is he in support of that? Or is he saying to the House that he did not know about it? When this matter came before Executive Council, it was dealt with—and dealt with in the correct way. We gave no assurances to anyone that if a coastal works application was put forward that full permission would be granted. That is why the legal term 'approval in principle' was used.

For this Motion to come here and say that Government is not taking steps to find out what can be done in the North Sound is utter rubbish. My department is presently working on terms of reference for the North Sound, something which was given to them long before this Motion came before the House. So for them to sit over there not knowing what is going on with regard to departmental operations, trying to mislead this country is ridiculous.

As far as I am concerned, this is not going to be a cheap exercise. Thank God we can see from the Throne Speech that there will be no more dredging. But my honest opinion is that if there were new applications, the best persons to pay for it would be those persons who would benefit from it. I see nothing wrong with that, once the individuals who are doing the study are recommended by Government.

As far as I am concerned, I believe enough has been said with regard to dredging in the North Sound. If this is what some people believe is going to get them elected... I think we still have sensible people out there who realise exactly what is taking place regardless of what is said about this Government.

Sometimes we are accused of going slowly on projects. That is correct, especially with projects that are environmentally sensitive. Since I have been in charge of that department I make sure that it is looked on, and looked on again.

I do not just jump into it, as the Opposition would try to make the public believe. As I pointed out, this Government is being blamed for dredging in the North Sound in a general way, and it is ridiculous because the main projects that have been done there were done under licences from past Governments.

As for the photos floating around here awhile ago, how can we honestly present pictures of the Miami Harbour to compare with the North Sound? I think that is most ridiculous when everybody knows that when you dig in the North Sound you are going to hit white marl. That is a fact. When you dig in the Miami Harbour you bring out black slush. How is that going to have the same effect on the water? I know as much about the Miami Harbour as those presenting the pictures. I am not saying that silt was not shown on the one here, but when you have the wind blowing in the opposite direction in any part of this Island and the sea becomes rough, you will find the same effect. I live on the south side of the Island and it is the same way when the wind blows around. So that is no excuse. It is utter rubbish.

To talk about the detriment to the North Sound—it is a known fact that we have different zones in the North Sound: we have the replenishment zone, we have the environmentally sensitive zone; nobody would ever think of dredging in either of those zones. Talking about from tip-to-tip... the plans which I saw (that are in question), do stretch along the coast line; but if one flies over that they will see that that coast line has already been tampered with. If I read the proposal correctly it was to make a safe passage along the coast line.

As I said, if dredging is done properly there is nothing wrong with it. The shock came when they realised that the Government was on top of this, that we were dealing with it; and we dealt with it the right way. Madam Speaker, you have two people in this House who believe that they can control this House. But they cannot. They are in the minority.

Any slurs that they want to throw from that side do not deter John McLean. I am doing my job. I did not lie about anything. What I said in there I will say here, and I will say before any court—those are the facts. You should not twist the facts because that is where the problems come in.

Madam Speaker, it is a bad thing when one tries to grab at a straw for political reasons. Government cannot support such a Motion. We are doing what is right. We have proven that, and we will continue to do so. As far as no reports being made on dredging in these islands—that is stupidity. When there is a dredging project, it is constantly monitored. Accidents will happen.

I believe that the picture we saw there was probably just that. As far as I am concerned, as long as I have responsibility over the department responsible for this, I will see that whatever is right for this country is what will be done.

The Speaker: This might be an opportune time to suspend proceedings until 2.30.

PROCEEDINGS SUSPENDED AT 12.41 PM

PROCEEDINGS RESUMED AT 2.37 PM

The Speaker: Please be seated. Debate continues on Private Member's Motion No. 2/96. The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker. The Motion at hand reads:

"BE IT RESOLVED THAT Government consider commissioning an environmental impact study by recognised experts in the field, to be paid for by Government, and if the study finds that some further dredging may be done within acceptable limits, that Government tender the dredging works, secure the marl for use in public infrastructural development, such as roads for the Island and sell any surplus marl;

"AND BE IT FURTHER RESOLVED THAT Government halt all dredging or proposed dredging until the said study has been presented to the people of the Islands and the Legislative Assembly for consideration and debate."

The main thrust of my argument this afternoon will surround the dire necessity for an environmental impact study to be done for the North Sound. No doubt the Motion stems from the approval in principle for the dredging of some six million cubic yards of fill in the North Sound.

While one may argue the specific application, I think attention needs to be drawn to the threat to the North Sound with or without the application mentioned before. It is obvious that were this approval to take its full course, the character of the North Sound would be altered; the impacts would be adverse as, more importantly, would the perception of the local residents. Currently, the North Sound is a relatively tranquil, undisturbed, natural setting. Going back to the proposed project, something of that scale would result in dramatic changes in many ways in the North Sound.

This is a preamble to more important things, but allow me to continue.

There would be unavoidable and irreversible environmental impacts associated with such a project. The deposition of dredged spoil material into the North Sound will most certainly result in mass destruction of living reef and bottom sea grasses. Another point which has to be taken into consideration is the perceived relationship between dredged spoil disposal in the North Sound and turbidity and visibility along the Seven Mile Beach reef.

One might ask: 'what kind of craziness is this young man speaking about?', but there have been occasions when knowledgeable people have linked the turbidity and depreciation of visibility on the north side, especially along the Seven Mile Beach area with dredging and the 'fines' (as they call it) spread into the North Sound when this takes place. The 'fines' are what an earlier speaker referred to as the 'milky way'.

The point that I wish to make regarding the Motion is let us all withdraw our swords and look at the real issue at hand which is the health and well-being of the North Sound which is also related to the well-being of the people of this country. Even without this massive dredging, the consequences of man's actions (and even natural phenomenon if not properly regulated and managed) will further degrade the natural environment in the North

Sound. In other words, a management plan for the North Sound is needed in the worse kind of way.

This can only be conceptualised and realised if an in-depth environmental impact study is commissioned. There are many ways to look at the existing problem. Individuals see it from various points of view, depending upon where they sit at various points in time.

For instance, if I were a land owner along the water front of the North Sound, and I had a fairly large tract of land, my first thought would be to realise the best return for my investment. There is nothing wrong with that thought.

The difficulty we face as legislators is understanding this, while accepting our responsibility of making decisions with everyone's interest borne in mind. It is always a difficult task to strike a balance. What we are faced with today has been a continuing situation. I do not care to discuss which Government.

I take the position that this Government (and any Government to come), in order to ensure that proper decisions are made, must have all the pertinent facts available to them. It is my view that we do not have all the facts at present. The only bible that we have regarding the North Sound is a report done in 1975 in conjunction with the Natural Resources Unit, and I believe it was done by a Dr. Wickstead, with support from agencies both inside and outside the country. If we are to go by that report, we will notice that since then there have been many things proven to be true.

But the report is 20 years old and there are those who do not necessarily hold that report as the bible to go by. It is obvious that it has not been treated as the bible because of the various things which have happened since then—which would not have happened had the report been followed. The EIS (as I will refer to the environmental impact study) is one which has to be done. I note that the Minister who spoke on behalf of Government made reference to the terms of reference for the North Sound.

I do not know whether he was speaking about the terms of reference for a study or exactly to what terms of reference he was alluding. It is my view that the experts that we have within the Service are quite capable of drawing up terms of reference in order to commission such a study. There are a few firms that are fully qualified. I daresay that the people in the Service are aware of these matters and of these firms. There are many of these types of firms that one could get these results quite readily from. The argument put forth regarding the cost of such a study... even if I am touted as such, I daresay that I am not one who advocates Government spending money unnecessarily. In my view, this is such an important matter, that I think Government should look seriously at being the proponent of such a study, rather than waiting for an individual, or a conglomerate wishing to do a large scale development, to get such a study done.

One can argue both sides, but my view is that while it may be a costly affair (touted as costing probably \$1 million), the truth of the matter is that if private enterprise wishes to develop, and even if Government has to

approve the firm they wish to conduct such a study, there is always the lingering thought that you work for who pays you regardless of what anyone else may think. I cast no aspersions, but by perception alone (if nothing else), there are those of us who may never be satisfied getting it done in another fashion. It is obvious, if we look from the demographics point of view, the ocean side of the West Bay peninsula is 95% developed—finished, completed.

All that happens there is the turn over in the hotel rooms and the rental of the condominiums, which are sold and change hands from time to time. By and large, the scope for development for that side has dwindled to almost nil, comparatively speaking. It is fairly obvious that developers, when looking at what we may term as the 'hub', are going to turn their eyes to the other side which has sea frontage. That obviously means the wetlands leading to the North Sound.

Again, just about 100% of that is swamp land in the immediate vicinity of the North Sound. As you go back a bit it tends to get dry. But for any large scale development to take place one certainly is going to have to seek reclamation of the property. It is obvious that dredging is the most sensible option for developers to look at. Having established that, I make the point that there will be no fewer applications for this type of development in the foreseeable future, rather, they will intensify. If we also look at the ownership of land along that strip, it is obvious that there are very large tracts of land and not many people owning small tracts of land.

Again, this makes the situation conducive for this type of development to take place. The catch 22 that any Government will find themselves in is when these applications come, is what to use as a rule of thumb as to what is reasonable to allow and what is not. There is no shame in saying that none of us here is qualified enough to make the right decision. The truth of the matter is (if we are straightforward and unbiased) that none of us here is expected to make that kind of decision. But if we had all of the facts available in front of us, then the task would be a lot easier. We might rest easier knowing that we had done what was right for the future well-being of the country. We refer to dredging—and there are so many other areas that are not isolated from dredging.

If one examines these things closely, one would understand the wide ramifications that large scale dredging in the North Sound will have, and the long-term effects down the line. The mere fact that that is possible lends to the thought that we should have the facts in front of us. For those who think that it is proper to get up and say that dredging must stop, that is not necessarily the right thing to say either. For those who feel that the North Sound is just a mass of water and if you do anything like dredging it will not mean anything, they too are wrong. In trying to strike the balance with the argument, I think the key is where do we want to be, and how do we want to see this Island of Grand Cayman 10, 20 or 30 years from now.

Although it has taken a long time for us to be dealing with issues which should have been dealt with a

long time ago, the truth is that we should not be like everybody else and continue to procrastinate because they are not easy to deal with. Let us not be guilty of that. Let me draw a small reference which may seem farfetched and totally out of whack when we talk about dredging. It is my view that any terms of reference for an environmental impact study done by private enterprise would be localised to the specific request of that private enterprise.

The issues that we need to address go a bit wider. Years ago there were oil transfers being done off Little Cayman and Cayman Brac. These have ceased. Lately there is talk of such transfers taking place again. With a total abundance of caution, the mere fact that this might take place allows for the possibility of an accident. We do not even want to entertain the thought of what might happen.

There is need for information to be collected on inter-island current patterns. While it may seem that I am off the deep end, if all that information would be available to us we may be able to foresee what the end result would be.

This is the type of information that this country needs to have on hand that we do not have. We might say 40 years from now that it was a waste of time because nothing happened. If nothing has happened 40 years from now, we will thank God for his blessings. That information will not be wasted because between now and then none of us can look in a crystal ball and know that it will not. It is a sin to bury the dead if you could have saved them.

A Motion such as this might not necessarily have encompassed all the pertinent areas that need to be discussed, probably from lack of knowledge and because of its intention. But I hope that we take this opportunity to ensure that we get the machinery going to allow this study to take place. If the public outcry has been about an approval in principle for large scale dredging, let the positive result be that a proper study is done so that all eyes and ears can be wide opened whenever decisions of this nature have to be made.

The other benefit to be derived upon completion of such a study is that one could easily outline for any future development what is acceptable and what is not. The developers would know how far they can come to expect the rules to be bent because that is the name of the game. That is not anything that is out of hand. But if you know where you stand, you know what not to ask for.

The political arm of Government will not wonder 'How can I tell this guy no?' You will know to tell the guy no, because you will have the rules. As it now stands you are in trouble. That is for all of us.

One of the other very serious effects of the dredging that has taken place (and I daresay it will continue) is the total decimation of the storm belt. That storm belt is what many people refer to as the nasty mangroves which are unsightly and sometimes carry a scent.

A lot of people would say that the world would be a better place without it. Let me state a few facts: Some of the narrowest land in this country is located in the Seven Mile Beach area. It is also some of the lowest-

lying land. As I mentioned before, the sea side is completely gone from that point of view. There are buildings there and, while they may seem to be solid, I dare anybody to tell me that they do the job of the mangroves. They cannot.

The Law as it stands, whenever any development takes place in the area designated as the storm belt (I think that was done in the 1977 Development Plan), the Law specifically states that there should be a 300 foot buffer zone, meaning that from the water's edge coming back in 300 feet there should be that buffer zone left as a storm belt for it to serve its purpose (there are many purposes that it serves besides being a storm belt), the idea being that all development that takes place must take place inside of 300 feet from the edge.

It is not that I wish to be specific, but I can only be specific if I make the point. The Safe Haven development was 2,800 feet of storm belt on the North Sound. Their original approval (and the one smiling at me I know remembers it) did not grant that storm belt to be taken out because the CPA was sticking to the Law. But because of the nature and the magnitude of that development it went to an appellant tribunal and an appellant tribunal was convinced that because of the magnitude of that development, the storm belt must go.

I cannot blame the developer for wanting the storm belt to go because he wants the place to look pretty. I cannot blame him because he wants to create a beach on the water because it certainly makes for it to be a more attractive development. They might have a commercial lot on the seaside, a hotel might develop there. That is not what is wrong. If the rules were set and they were adhered to, then whatever type of development takes place will take place within those ambits. Every time we mention the word 'precedent' in here... that is the big word each and every one of us has so that if we do this now, this is what is going to happen later.

When the next developer comes and we tell him, 'Look, you have to leave 300 feet of storm belt there', they say, 'You did not do that for the man up the road. Who are you talking to?' This is what we are faced with. The question is not whether the developer is insensitive; everybody fits the role in any society. The Financial Secretary is the Financial Secretary; the developer is the developer—so on and so forth. So, it is not saying that the developer is this or that. No! It is obvious what the developers are all about. I drew that reference to show how susceptible we are.

I would be reading for a very long time to make mention of the many purposes that storm belt serves. Suffice it to say that two-thirds of the marine population depend on that storm belt for survival. That is what Dr. Wickstead said in consultation with a dozen more qualified personnel. In the 1932 storm (I was not there either, Madam Speaker) the Island of Little Cayman saw several areas being over-run by the sea from one side to the other, so I am told. Because the majority of us have not seen something like that in our lifetime we tend to think that it cannot happen.

Not being a precursor of doom, but simply stating a fact, the longer it takes to come again, the shorter it will be coming. That is a fact. That same storm belt that I referred to, especially down on the West Bay peninsula, serves a purpose that is very difficult to quantify. While without it, it may look nice from the aesthetic point of view (depending on the individual), it does serve its purpose. I trust that those who live there will learn to recognise that purpose. The point in all of this, and the reference that I drew, is simply to say that without all of the facts in front of us we are exposed to a continuation—if not a proliferation—of the things I mentioned before. It is not going to serve us good in the end. Mention was made of the marine life.

Those here who have taken the time and who have studied this area, whenever they talk to the lay person they seem to be off the deep end. I do not profess to be one of those who do not understand that certain sacrifices have to be made in order to allow sensible development. I am not suggesting that one must not allow for reality to set in. But when we look at the marine life in the North Sound, and the possible serious long-term effects of over dredging (if I may call it that), I cannot fathom how every one of us here would not say for the sake of the people and ourselves, and those to come after us, let us ensure that whatever type of development we are going to allow along the periphery of the North Sound, is done with acceptable damage, because there will be damage. In order for us to ensure that we only allow the type of development that will cause acceptable damage then we must know; to know we must have the facts; and to have the facts we need, with proper terms of reference, an EIS with much broader ramifications than might be initially envisaged by many. As we talk about marine life... and I keep drifting away because something else comes to mind. I think of the pure (and I use the word pure in more ways than one) pleasure that many of us get from going fishing in the North Sound.

There are those who might say that Kurt should learn to go outside the reef instead of fishing in the Sound. There may be merit to that. But not all of us like the same type of fishing. I can promise the world that there are many Caymanians (and others who reside here) who gain much pleasure from either going fishing in the North Sound or taking the family out for a very slow boat ride and looking at all the wonders of the North Sound, not to mention the tremendous increase in the tourism dollar derived from the natural beauties of the North Sound.

Those natural beauties are all surrounded by the marine life in the North Sound. Not to be able to see these wonders will make that trip not worthwhile. Very soon locals and visitors alike will stop going into the North Sound. There are those who hold the view that dredging actually allows for more fish and marine life to gather. I have heard it said that when you dig a borrow pit it becomes a fishing Mecca.

The truth is that fish feed on molluscs and little crabs and other little creatures. That is a part of what is termed the ecosystem and the food chain. Whenever the

natural seabed is disturbed, all it does is bring all these little creatures out in the open. So for a little while the fish have a big feast. That is what they are talking about. I too have experienced that. But as soon as the first feast is over, and the land settles, the 'fines' smother the seabed with all of the turbidity. They realise that there is no more food to be had and they disappear.

All of what I have just said is coming home to the onus that we have. For whatever reason it has come to a head, and I think it is time that we take advantage of it and make sure that we do what is right. If we do not have the facts before us, the very next step is that we are going to hear about a referendum—that if anything like this comes we are going to have to have a referendum for the people. The people certainly have that inalienable right. But would it not be much better to have a proper study conducted; to have proper terms of reference drafted for the study to be conducted, for each and every one of us to have total access to all of that information?

When it is all over no one can say that if we do this we really do not know what will happen—we will know. Then we can decide how much hurt we want to take, because when it comes to development it is very rare to have a win-win situation. There is always a price to pay. At least, if we have the information in front of us, we will know what the price we have to pay is for any development.

Dr. Wickstead said: "**The prime consideration has been that which, in my opinion, forms the main concept of Conservation. This is not to say that nothing should ever be touched or removed, but to identify natural resources and, if exploitable, then to recommend how to exploit these resources fully without destroying the environmental and ecological framework of the whole.**" That nicely says what I was trying to say before. That is exactly the way we should be looking at it in my view.

Dredging, also in my view, has a direct impact on the rate of development in the country which is, again, paralleled with difficulty in Government having to decide on what is an acceptable rate without passing up the chances of having ongoing development. But at the same time the big question mark is if we are doing the right thing. Are we going too fast? Are we overheating the economy? These are always questions asked. One might say that is a blessed problem because on most occasions we are not wondering where the next dollar is coming from.

Let me say this: If we believe that we can continue in this ad hoc fashion, knowing full well that the living God has always taken care of us and will simply just keep everything in hand and it will just keep on happening just right forever, we are sadly mistaken. We have to be either the luckiest people in this world or the most God-blessed people. I suspect it is a bit of both, but it is not going to continue forever.

There are things which we must look at immediately—not tomorrow, not when the next Government takes over, not when the heat is off. There are things we have to look at immediately; otherwise the whole country

is going to be in trouble. It is not good for him to be blaming me; or for me to be blaming him as to who did not do what right. Let us not get to that point because the nature of the beast is political, even when that does not exist. So let us please not look at it from that point of view.

Whoever wishes to find fault with any presentation of mine or any other, I do not have a problem with that. But I know that even if what I am saying does not sound very good, I know it is sensible. I know it is right. I am not saying this for any one of us to feel lacking. I am saying that it is a battle that we are all in and we have to deal with it. Even when we differ at various levels, it is still something that we all have to deal with and a responsibility that will not go away.

In 1975 Dr. Wickstead said: "**I am given to understand that there is enough recovered land available now which, if built upon according to the plans available, has the potential to increase the population of Grand Cayman by a factor of three; but still there are these applications for filling and building. The [Government] must take a long hard look at this clearing and filling programme. It will be appreciated that the most developed strips of land are narrow in width and any removal of any protective barriers will expose any developments to the elements.**"

The point I am making is about the reclaimed but undeveloped land. In 1975 there was enough undeveloped reclaimed land which if utilised in its natural setting would be able to increase the population threefold. In 1996 it must be at least twice that. While the population has grown, certainly, the amount of reclaimed but undeveloped property has grown much more in relation.

I know the risk that I run, but I have to be as truthful as I know how to be. The risk is that many of them who understand may say, 'I wish he would hush because that is stopping us from doing what we want to do.' Unfortunately, on the other hand, the majority just might not bother to listen. There is no corner for me to turn when I am through, but that is alright. When I finish I will know that I have done my best on the issue. This situation about reclaimed property and the amount being undeveloped must lead one to wonder what kind of rape we will commit before we do something about it.

I go back to a point I made earlier: The onus is not on any developer to have a conscience. A developer is in the business of developing to make money. It is up to the Laws of the land in which that developer is developing to ensure that the developer develops in a fashion acceptable to the land. This is what we are talking about today. But if we think for two minutes (and when I mention it you will understand why a lot of things have prevailed in Cayman today) we will also understand why it is going to get worse tomorrow if we leave it alone.

Madam Speaker, Dr. J. H. Wickstead said (and I think he was referring to staffing problems in the hotels), "**It seems all the more unreasonable when one considers staffing problems. There is already a shortage of trained staff in the present hotels;** [and he was speaking about hotels here I am not specifically speaking about hotels, I am talking about the rate of development]

any additional hotels would undoubtedly exacerbate the problem unless large numbers of non-Caymanians were brought on to the Islands, a possibility which would need serious consideration by the Cayman Islands Government."

That was in 1975, that was what he was talking about then. Today we are faced with the ever growing problem of what is acceptable for the indigenous population. How far are we accepting integration processes?

How many almost unemployable Caymanians are screaming their heads off because employers have brought in trained personnel from overseas to do the job?

Can we say the employers are at fault?

No! Whatever business they are in—especially if it is in the tourism industry—it is competitive. If I go to one hotel and the service is bad, I will go to the Front Desk and ask to them 'to pay for what?', and once there is space elsewhere, that is where I am going. So, they have to run their properties efficiently.

I do not even know if I should really go any further with this, but do you see the problem? I am not talking... I really mean this for whatever anybody might think, this has nothing to do with any one of us here. This has something to do with something that is not going to go away. We may say that the problem I just alluded to is separated from the point at hand, but it is not. Large scale development is equated to the Seven Mile strip, both sides of the water.

As bees are to honey; any development which is to take place is going to require dredging. When we talk about an environmental impact study and the terms of reference, the problem that I just pointed out is a part of the terms of reference which has to be examined. They cannot be separated; besides the fish not living in the water, what happens to us humans? That is a real problem.

There are other points, Madam Speaker. I have not had the time to gain access to the information, but I am throwing the point out because I have my doubts about it. I do not know if any major water lenses have been identified along the West Bay Peninsula. Let it be borne in mind by those who may think differently, that a water lens does not necessarily exist under rock. A water lens can exist at various subterranean levels almost anywhere.

While that might not be considered a factor because we have the Water Authority, the Cayman Water Company, and others providing water to the country, the last thing in the world you want to do is tamper with major water lenses in a country such as this. Part of the terms of reference of the EIS (Environmental Impact Study) I referred to would be to identify any major water lens that might exist so that any dredging, whether it be inland or not, be considered very carefully because as you disturb the ground it is obvious that the water quality below would certainly be lessened.

It might not seem to be a point worth considering, but I throw it in because if it is to be done that should be one of the considerations also. Let me just quickly read

from a small document—it is long enough now that I am not taking tales out of school.

The very first word on this document is the word "Secret". So it is a secret document, it is the property of the Cayman Islands Government Executive Council—do not get nervous, this is from a long time ago.

Have no fear!

'Natural Resources Study': **"Although these studies are planned to cover all basic marine parameters, emphasis should be placed on those primarily concerned with, or affected by, the practical needs of development in the Cayman Islands; e. g., fill and sand by dredging or other means.**

"Therefore, it is expedient at this early date for the Executive Council to consider and enumerate the future development needs affecting the sea bottom, coast line and littoral swamps in order that the marine study can solve or minimise the detrimental side effects of such development activity, or advise where an area can only be protected by leaving it in its virgin state. Some major examples follow: (a) Sand: There is an urgent need for building purposes. [This was in 1975]. This can be obtained from the beach ridges or from the Sounds. Investigations should be made with the object of answering the following questions: i) Which is the most expedient ecologically? (ii) If the Sounds are, and in particular North Sound, the study should predict on the basis of current, turbidity, wave slope and depth of sediment which area could be exploited with least environmental damage. b) Marl fill by hydraulic dredging: Fill is essential to development in the Cayman Islands. It can be obtained by dredging and/or draglining in the open sea or by encapsulation. Thus, (i) which method is the most expedient for the least environmental damage? (ii) Which localities in the Sounds could be worked to create the least damage through turbidity and/or sedimentation? c) Coral reefs: Skin diving, glass bottom boating, etcetera, are an important attraction for the tourism. It is believed that the Cayman Islands are fortunate enough to have flourishing reef ecosystems and these should be protected. Therefore: (i) Which areas are the worthiest of total protection by the creation of underwater parks? (ii) Are there other areas where licenced removal of the flora and fauna could be allowed? (iii) what would be the quantitative index needed to control this? d) Removal of mangrove and reclamation: Mangrove can be divided into littoral mangrove and deep swamps removed from the sea. 49 (i) How much of this could be safely removed? (ii) would large reclamations of the deep swamps be more desirable than fringe filling along the North Sound. It is recommended that the Natural Resources Study team be requested to give special attention during the studies to the subjects mentioned in paragraph 3 of this submission, and where possible to provide this Government with answers to the questions posed therein."

Madam Speaker, all that I am saying now is that someone was worrying about it 20 years ago. Unfortunately, many of us still worry about it 20 years hence. That is why it is important that we do something about it now so that 20 years from now someone does not pick up the *Hansards* and say, *'My God, you mean this has been going on this long?'*

There is another factor which I daresay needs mentioning (and there is at least one person in here to whom it is very near and dear): Destruction of the mangrove is tantamount to dredging—the amount of dredging, and the type of dredging that is allowed. For any one of us who has been in the North Sound, either in the early morning or late evening (I will try not to exaggerate to make the point) in the period of an hour into the very light/darkness, one sees hundreds, if not thousands, of birds going back and forth depending on the time of day. Not just one type of bird either, all types of birds—in flocks by the dozens.

They live on the periphery of those mangroves in the North Sound. They not only survive there, they thrive there. They actually migrate from one side to the other—I am not 100% certain of the rotation basis and why, but I know that you see them going back and forth. It is probably a type of food that is available at a certain time of the year. We have nesting areas known as Booby Cay and all of that.

Especially on the Western Peninsula there are thousands of birds that live in the mangroves. They can have all the mangroves if someone can safely tell me where the birds are going to go afterwards. I do not have a problem if they can assure me of the nice home they are going to have for them. Until such time I have a problem with it. Madam Speaker, population, construction, land development and tin-can economy all eventually lead to environmental degradation and incipient pollution.

The need for nature management has become obvious to us all. First, it is necessary to educate by quantitative evidence the simple fact that conservation in a small island environment is sound economics. If we look at the size of the island, we will see that Grand Cayman covers 76.4 square miles. Twenty years ago, 42 square miles of that 76.4 was wet lands, mainly composed of tidal mangrove swamps. I could not find anyone in the past two weeks to even give me an approximate idea of how much of it is left. It is things such as this that we need to know. This is what affects our rainfall.

The boring topic that I have had to discuss, while it is boring it is very important to us. With all the development that has taken place... in 1975 someone had a reasonable figure for how much wet lands existed in Grand Cayman. No one in the various attached professions today, would even venture to wager a guess of what it is now. I do not know if it tells anybody something, but it tells me something. Mention has been made about turbidity, I have touched on it.

Something else that needs to be addressed is the acceptable level of siltation, if and whenever dredging is to take place. My thoughts have no bearing on whether individuals who engage in dredging should be put into

untenable situations—nothing of the sort. The two pictures that a previous speaker compared; whether one was Miami Harbour, which is full of black slush, and the other is the North Sound which is full of white marl, the method to prevent siltation would stop black slush or white marl. So it does not matter.

The point that I make is that when we talk about what is allowed and what is able to be allowed, there must be very stringent rules and regulations under which people are able to operate. No one, I daresay (even the two individuals who I know are being allowed to continue the project they have started) would wish to purposely harm the environment. I do not think that for a second, but, unintentionally or nor, it can happen. I am saying that these are areas which need to be tightened up.

I believe that those who are supposedly monitoring the situation probably are not able to operate in such a way that they can get the job done. I am not 100% sure; to be honest and I have not really spoken to anyone very recently. But the point is that time and time again, when dredging has taken place in the North Sound, I have seen (not from the sky, but on the water) what is being referred to as the 'milky way' stretching at least four miles.

Madam Speaker, that is unacceptable in anyone's language. Twenty years ago that was unacceptable and what a lot of the people do not know is that there are actually times that are better for dredging. There are types of prevailing winds which are conducive to it, and others which are not. The prevailing winds have an association with the current in the North Sound.

I can assure you that damage can be lessened if all of that information is known and collected where one could easily say, *'this is how we should do it, these are the best times to do it. Let us schedule it in this fashion. If a certain type of weather is going to persist for two days, we will work on the weekend, but we will not work today or tomorrow because of weather.'* It sounds like stupidity, but it is such a sensitive issue that that is the way it has to be dealt with and we do not have all of those facts readily available to us. This study will provide these facts.

While I said that the North Sound is relatively undisturbed at present, the proof of the matter is that there is a fair amount of small boat traffic on a regular basis there. For anybody who is able to venture into the Sound (it is no longer only on weekends, but on any day) there is a fair amount of activity there. This also lends assistance to the turbidity factor. If siltation is not minimised by proper screening, once the fines are allowed to stray any distance it becomes almost impossible for them to get chance to settle because of the boating activity.

We cannot tell the boat owners not to travel in the North Sound. So I make that point to stress how important it is that whatever dredging might be allowed to take place, that it take place in the safest fashion allowing as little siltation as possible. Madam Speaker, I think I have worn out my welcome, but let me summarise all that I have been saying by reading a statement that was made as early as 1974 by the World Bank. It reads: **"The quest by the developing nations of the world for higher**

standards of living often involves the deliberate modification of the natural environment to achieve economic objectives. However, such activities sometimes result in concomitant losses of ecological, health, or cultural value, or all; and in the long run, increased cost to society. Such losses, which may vary widely in magnitude, may result from the failure to consider environmental consequences during project planning and design, or from the lack of knowledge and information necessary to prevent the eventual impact. Even if undesirable effects are forecast, information on cost-effective environmental safeguards may not be known, or economically competitive project alternatives are often unavailable."

I think what can happen to us is obvious, Madam Speaker.

Let me say that if the Government does not accept this Motion, for whatever reason, I am still challenging the Government to commission with proper terms of reference an environmental impact study because it is vitally needed. I am confident that the people of this country will support such a study because in the long-term (and, I daresay, in the medium-term) to not do it will make us penny-wise and pound-foolish. Thank you.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, I was just wondering, since it is getting near to the time to adjourn, and I know there are other matters on shortly this afternoon, if this might not be an appropriate time to adjourn five or 10 minutes earlier. We all have something to try to get to a bit later.

The Speaker: Would you like to put that motion?

ADJOURNMENT

Hon. Truman M. Bodden: I put the motion that this House do now adjourn until Monday, at 10 o'clock.

The Speaker: The question is that the House do now adjourn until Monday morning at 10 o'clock. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until Monday, morning at 10 o'clock.

AT 4.10 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM MONDAY, 26TH FEBRUARY, 1995.

**EDITED
MONDAY
26TH FEBRUARY, 1996
10.11 AM**

The Speaker: I will ask the Honourable First Official Member to say prayers.

PRAYERS

Hon. James M. Ryan: Let us Pray.

Almighty God, from whom all wisdom and power are derived; We beseech Thee so to direct and prosper the deliberations of the Legislative Assembly now assembled, that all things may be ordered upon the best and surest foundations for the glory of Thy Name and for the safety, honour and welfare of the people of these Islands. Bless our Sovereign Lady Queen Elizabeth II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated. Proceedings are resumed. Questions to Honourable Members and Ministers. Deferred Question No. 5, the First Elected Member for Bodden Town.

QUESTIONS TO HONOURABLE MEMBERS/MINISTERS

QUESTION NO. 5 (Deferred)

No. 5: Mr. Roy Bodden asked the Honourable Third Official Member responsible for Finance and Development what is the outstanding balance on personal loans made to non Civil Servants by amount and name of borrower.

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, I will have to seek the leave of this Honourable House in accordance with Standing Order 23(3) for this question to be further deferred. I will provide the answer to it during the course of this meeting. The answer that I have prepared is based on the amount of loans made to civil servants and not non-civil servants.

The Speaker: The question is that the answer to question No. 5 be further deferred to a later sitting during this meeting. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The answer is accordingly deferred.

AGREED. QUESTION NO. 5 DEFERRED.

The Speaker: Question No. 19, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 19

No. 19: Mr. Gilbert A. McLean asked the Honourable Minister responsible for Tourism, Aviation and Commerce what the total number of overseas employees in the Department of Tourism is, giving a breakdown by category, location and the 1995 total staff cost for each area.

The Speaker: The Honourable Minister responsible for Tourism, Aviation and Commerce.

Hon. Thomas C. Jefferson: Thank you, Madam Speaker. The answer: Fifty-five persons are employed overseas by the Department of Tourism. These staff are located in the United States of America and London, England. There are two categories of staff. Fifty persons fill Sales and Marketing positions and five persons are in the administrative and clerical group.

Total salary package is CI\$1,572,396.00. The United States of America accounts for CI\$1,403,328.00 and the United Kingdom for CI\$169,067.00.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: In the recent past there has been information in the newspapers that Government was seeking to get representatives in Spain, I think, and also Germany. Are these included under the London section in the reply given?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: No. We read the question to say overseas employees, meaning the persons whom the Department of Tourism and the Ministry of Tourism directly employ. We did not read it to include agencies.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Does the Cayman Islands Government, through the Department of Tourism, pay any fees to the various agencies in other locations that do service for the department?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: Yes, we do.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Could the Honourable Minister say then what the number of persons associated with the Department of Tourism who receive fees is, in that the intention of the question was to gather who is employed by Government and to whom fees are paid out of the funds for Tourism.

The Speaker: I do not know if the Honourable Minister can answer that.

Hon. Thomas C. Jefferson: What I can answer is that we have representation in Japan, Canada, Germany, Spain and Italy. As to how many people and what the costs are, we did not provide that information because the question really did not ask for it.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Are the five persons employed in the administrative and clerical group in the United States or in England. Exactly where are they located?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: I think there is a mixture; some of them are at the administrative arm of the North American Department of Tourism Office in Miami, and one or two may be in the United Kingdom.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Where does the ultimate responsibility for decision-making lie, in terms of what decisions are taken in these various areas? Is it with the various points overseas, or is it ultimately here in Grand Cayman?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: The ultimate decision rests with the Director for Tourism who is housed in Cricket Square, Grand Cayman.

The Speaker: The next question is No. 20, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 20

No. 20: Mr. Gilbert A. McLean asked the Honourable Minister responsible for Tourism, Aviation and Commerce what is being done to address the Caymanian/expatriate issue as identified in the 10-Year Tourism Plan by Coopers & Lybrand.

The Speaker: The Honourable Minister for Tourism, Aviation and Commerce.

Hon. Thomas C. Jefferson: Thank you, Madam Speaker, the answer: The 10 year Tourism Plan prepared by Coopers & Lybrand was not accepted by Government.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Honourable Minister say when this decision was made public, and was it stated in the Legislative Assembly that this Report was not accepted, seeing as parts of it were extrapolated into a document prepared by his Ministry, which is supposedly based on the Coopers & Lybrand Report?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: Madam Speaker, my recollection is that the 10-Year Tourism Development Plan prepared by Coopers & Lybrand was laid on the Table of this Honourable House in 1992 by the Executive Council Member responsible for Tourism.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Is it the case then that, as far as this Government is concerned, the 10-Year Tourism Development Plan by Coopers & Lybrand is not being followed?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: What we are following is the 5-Year Tourism Management document which was approved by this Honourable House in 1995. As a matter of fact, the implementation strategy for that plan is now being looked at by a team of (for lack of a better word) consultants.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Honourable Minister say if any details out of this 10-Year Plan (which cost a few hundred thousand dollars) are included at all, or are being used by the new study that is underway?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: I think the Second Elected Member for Cayman Brac knows that the answer to that is yes. The basis for the 5-Year Tourism Development Plan is that plan he referred to.

The Speaker: The next question is No. 21, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 21

No. 21: Mr. Gilbert A. McLean asked the Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture how the term 'Veteran' is defined by Government for the purpose of paying pensions to this group of individuals.

The Speaker: The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Thank you, Madam Speaker. The term "Veteran" is defined as follows: Ex-servicemen would have to be ordinarily resident in the Cayman Islands, be Caymanian, or to have had Caymanian status at the time of qualifying service; have served in World War I and II, the Trinidad Royal Navy Volunteer Reserve, the Home Guard, the Royal Fleet Auxiliary (supply), the Armed Forces of Great Britain and the Merchant Marines, all during one of the above wars.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Thank you, Madam Speaker. In the reply the Minister has said, "the ex-servicemen would have to be ordinarily resident in the Cayman Islands." Is it the case that Caymanians who may have served in these wars, the Trinidad Navy or wherever, and not living here now are excluded from payments?

The Speaker: The Honourable Minister.

Hon. W. McKeeva Bush: Madam Speaker, in the statement I made the other day, I explained that when we began the process of taking in everyone, payments were made to persons living overseas. I explained that that was since amended so that they would have to be ordinarily resident in the Cayman Islands. I should explain also that perhaps there is no one living from World War I, but we included World War I just in case. We did not know who would come and ask for assistance.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Thank you, Madam Speaker. From the point of view of fairness it would seem that persons who have served in the Cayman Islands who are Caymanian, but who may not be living here, should be due the pension. Are any of these persons living overseas now receiving it?

The Speaker: The Honourable Minister.

Hon. W. McKeeva Bush: Madam Speaker, I explained that in the first instance, they had received the retroactive payment for four months. I believe they could have received the January payment—I am not sure. I am asking the House not to hold me to that as I cannot remember at present. But the decision was taken that we could not continue.

However, I said last week that if any one of those persons living overseas has any problem and they make a case to the Government, we would consider their need. We do understand that they are living in the United States where they get Social Security. In fact, the Member asking the question now as to why we do not give it to them, just last week was asking if we were going to take it back from some.

The Speaker: The next question is No. 22, standing in the name of the First Elected Member for Bodden Town.

No. 22: Mr. Roy Bodden asked the Honourable Third Official Member responsible for Finance and Development to state if any customs duties on furniture imported by the developers of the Westin Casuarina Resort remain outstanding at this time.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Madam Speaker, the answer: The Westin Casuarina Resort project was granted a duty concession on 'dutiabale building materials' in October 1994. This concession allowed for importation at a concessionary duty rate of 5 per cent, rather than 20 per cent which is the normal rate for building materials.

During 1995 the Resort imported certain items of furniture to complete the project believing that these items were also covered by the concession. Although the eligibility of the furniture was questioned, the consignment was released at the 5 per cent duty rate pending further enquiries and legal advice. The matter is, as yet, unresolved, but Customs is in negotiation with legal representatives of the Westin Casuarina Resort to recover the duty. The duty at stake is CI\$243,438.28.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden Thank you, Madam Speaker.

Can the Honourable Member say whether it was stated that the duty concession applied to building materials exclusively?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: The concession stated "building materials", but apparently when the request was made by the principals of the hotel they asked for the concession to be granted on a similar basis to that which was granted to the Radisson Hotel. The view was taken that that was the concession they had received. Subsequently, when it came to light that building materials covered construction materials only, and would not include furniture and fittings, it was referred to the Legal Department for an interpretation at which point it was understood that it related to building materials only. This is where the exclusive element of it can be regarded as having been agreed upon.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Member say if a separate application was made for concession on the furniture when this was discovered to be the case?

The Speaker: The Honourable Member.

Hon. George A. McCarthy: Madam Speaker, yes. A separate application was made, but Counsel held to the original position in that the duty concession related to building materials only, and not furniture and fittings.

QUESTION NO. 22

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Member say if this application was made before the consignment of furniture was released, or after?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: It was made after. The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden Thank you, Madam Speaker. Can the Honourable Member say if, when the application was received for an extension of the concession similar to that given to the Hyatt, a written reply was given stating Government's position regarding limiting the application to building materials only?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Looking back to the basis of the original decision when their request was initially considered, at the time the hotel developers were advised (based on the decision taken by Executive Council) that what was granted related to building materials only.

The Speaker: The next question is No. 23, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 23

No. 23: Mr. Roy Bodden asked The Honourable Minister responsible for Education and Planning to state what rules or guidelines exist for regulating entitlement to pre-school grants.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, the answer: The existing regulations for the distribution of pre-school assistance to needy parents are as follows: (a) one parent must be Caymanian; (b) the child must fall between the ages of 3 years 9 months and 4 years 9 months, i.e., the funds assist children with pre-school fees the year before they enter formal schooling; (c) the applicant is assisted up to a maximum of \$300 per month for 10 months (September to June); (d) applications are reviewed again in January of each year to determine whether any changes have occurred in the parents' status; (e) initial application is evaluated by the pre-school supervisor who forwards the relevant documents to the Chief Education Officer for approval.

A sliding scale based upon the combined salary of the parents and the number of dependents in the household is being proposed by the Education Department, in response to the Auditor General's Report. Applicants would also be required to submit verification of income. If accepted, this would be a change in the 1991 policy which stated that "No child should be disadvantaged by the reception programme being taken out of the Primary School".

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden Thank you, Madam Speaker. Can the Honourable Minister say when these guidelines were drafted and when they will come into effect?

The Speaker: The Honourable Minister. Hon. Truman M. Bodden: The guidelines were drafted in 1991 by the previous Government when they, I think very wrongly, abolished pre-schools and reception classes in the Government school system. They brought it in, it has not worked well and what we have now is merely the last part of this question that is a purported change. The rest of these policies were in force for some time.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Honourable Minister be in a position to state what cost to the country, on an annual basis, this programme of pre-school assistance adds up to?

The Speaker: Honourable Minister, although that was not part of the original question, if you have the information... Hon. Truman M. Bodden: I do. Up to 31st of December, 1995 there were 143 children receiving grants in the amount of \$354,669.75. Is that sufficient?

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Based on the fact that the existence of the problem has been recognised, are there any long-term plans to remedy this situation within the public school system?

The Speaker: The Honourable Minister.

Hon. Truman M. Bodden: One of the radical changes that was brought in by the last Government was this policy, which in my view was wrong. It was wrong to, especially with the handicapped children in the Lighthouse School, abolish the pre-school aspect of that (in other words the first year before school).

It was also wrong to abolish the classes in Government schools. The dilemma that I found myself with was that the classrooms in which these children were going to school (the reception classes) had been taken over because one extra year had been added to the primary schools.

Therefore, there was no way at all possible with this wrong change of policy by the previous Government, that I could do anything in the short term. I should point out that this was only one of the many radical changes made in the system over a matter of about nine to twelve months. I was trying to put out the fires and correct the problems in another five or six areas. In the long term, in East End and North Side we are looking at reintroducing the reception classes, areas where pre-schools adequately deal with reception classes and the pre-school side.

Obviously, the Government would not embark on a policy to bring in reception classes at this stage. We may have to look at one or two of the other districts on the adequacy of these. I should point out that when the decision was taken to abolish reception classes, at that stage I think there were only three pre-schools registered and in operation. There was really no one to take these children.

So at the beginning the children had nowhere to go and a lot of them lost out on that one year which has now seriously put them at a disadvantage when they enter the primary schools. The other problem is that this mistake has to be corrected by the Year One Primary School Teachers. It is not easy because children coming into the schools are of a very wide range of ability; some of them have been to pre-school and their abilities are considerably more than those who have not.

So the problems that have been created are going to go on for sometime, but in the long term I think we have all pre-schools that are in operation, with the exception of one in East End that is now being transferred into what I mentioned earlier, where the East End school will do three years nine months, to four years nine months. A house has been purchased adjoining the school that will take the younger children. This is at present in coordination with the PTA. We are looking at how best to deal with that.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Recognising the restrictions faced at present, there has been talk for quite some time about rules, regulations, and guidelines for the operation of the pre-schools to ensure the quality of the product. Are these guidelines now in place and, if not, can the Minister tell us what is happening?

The Speaker: The Honourable Minister.

Hon. Truman M. Bodden: Those guidelines were one of the first things that went into place and have been for the past three years or so.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Are the guidelines specifically tailored to ensure that when the youngsters graduate from these pre-schools to the entry level at primary schools they are up to a certain level, so that the disparity which now exists does not continue?

The Speaker: The Honourable Minister.

Hon. Truman M. Bodden: The guidelines that I referred to relate to things such as entry, conditions of the premises to make sure that there is at least one teacher there. The curriculum itself is now being worked on at the same time as the National Curriculum for the schools, generally. No, that is not in place now.

But you must remember that up until recently the pre-schools were not even registered. We first had to go through about 18 months of trying to bring them up to a standard to get them registered; to see that the guidelines to that extent were followed and the curriculum is the second stage which is being dealt with now.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you. Following up, but specifically to ask the question that I just asked in a different way: Is the curriculum that is now being developed geared for exactly what I asked for?

The Speaker: The Honourable Minister. Hon. Truman M. Bodden: That is correct, and it is actually already drafted, some of it is with the pre-school principals at present.

The Speaker: The Third Elected Member for George Town.

Mr. D. Kurt Tibbetts: Is this a curriculum to which these private pre-schools will have to adhere as a mandatory condition, or is it a simple recommendation as a way for these pre-schools to operate?

The Speaker: The Honourable Minister.

Hon. Truman M. Bodden: Government's policy has been not to force on private schools anything of this sort. However, we have found that private schools have always cooperated and accepted many of the improvements that have arisen within the system. We hope that the Association for the pre-schools will accept these guidelines and implement them. Therefore we will achieve this through leading the private pre-schools into using them, rather than having to legislate and force them to use these guidelines.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Is it then the case that when these curriculum guidelines are developed and proposed to the private pre-schools, those who choose not to adhere to the proposed curriculum simply can do so if they wish to?

The Speaker: The Honourable Minister.

Hon. Truman M. Bodden: I will have to cross that bridge when I come to it, but they are in the Association, they have assisted in putting the guidelines and the curriculum together. Therefore I do not see any logical reason why they would not accept the guidelines. If it does come to the stage where I have to look at that (I am being optimistic and I have always found the private schools to cooperate—they have been very helpful to Government) I believe that cooperation will continue. I do not believe in forcing people to do things. That was the past Government's problem. I believe in leading them into doing things and allowing them to be involved in developing the guidelines themselves, therefore it is far easier for them to accept it.

The Speaker: The last supplementary, the Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. Could the Honourable Minister say if the pre-school supervisor visits the schools on a regular basis?

The Speaker: The Honourable Minister. Hon. Truman M. Bodden: I understand that she does visit them. I will take the lady Member's hint that perhaps we should get this done on a fairly scheduled basis. What has really happened is that some of the pre-schools needed more help than others. Therefore she has visited those that we were trying to get registered far more than she visited those that were operational and going well. Perhaps scheduled visits should be taking place now that all are registered.

The Speaker: The next question is No. 24, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 24

No. 24: Mr. D. Kurt Tibbetts asked the Honourable Minister responsible for Agriculture, Environment, Communications and Works to give an update on the proposed National Road Plan.

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker. The National Road Plan includes both new roads and improvements to existing roads. The full plan also takes into account minor works such as shoulder improvements, additional turning lanes, sidewalks and pedestrian ramps, drainage and traffic control devices. The problem of old substandard sub-division roads will also be addressed. In addition to identifying and scheduling the work, a longer period of up to ten years is needed for land acquisition, utility works and funding arrangements.

A National Road Plan must naturally dovetail with the Development Plan and take into account the needs of both the business and residential sectors. An immediate need is to identify alternate road corridors to address the problem of traffic congestion on the present roads. The first corridor identified for construction is the Harquail bypass which Lands and Survey is presently reviewing. An extension of the Harquail bypass further north will be necessary to adequately relieve the congestion on the West Bay Road. There will also be another corridor from Batabano Road to West Bay Road. The Crewe Road bypass with extension further east will be required to alleviate traffic congestion from the eastern districts.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Minister say which Government agency is in charge of developing this road plan, how long that particular agency has been working on the plan, and if there is a time frame regarding any possible tabling of the road plan and what the plans regarding any legislation are?

The Speaker: The Honourable Minister.

Hon. John B. McLean: Thank you, Madam Speaker. The work on the National Road Plan is being carried out by the Public Works Department. Whenever it is completed I will definitely lay a copy of it on the Table of the Legislative Assembly.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: With no hidden agenda attached, does the Minister have any idea when this road plan might be completed?

The Speaker: The Honourable Minister.

Hon. John B. McLean: The most I can say is in due course.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: In the substantive answer the point was made regarding the dovetailing of this plan into the review of the Development Plan. Is the acquisition of corridors of primary importance in order for any proposed road plan to become a reality?

The Speaker: The Honourable Minister.

Hon. John B. McLean: Thank you, Madam Speaker. I would have to say yes to that; we would have to have the corridors.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: In the answer to the question a section reads: "In addition to identifying and scheduling the work, a longer period of up to ten years is needed for land acquisition, utility works and funding arrangements." Can the Minister expand on this part of the answer regarding the ten years, meaning is it that it is expected that acquisition of the road corridors will take up to ten years?

The Speaker: The Honourable Minister.

Hon. John B. McLean: Thank you, Madam Speaker. If Members recall from the Estimates given just on roads for the George Town district, the cost to the country, if we have to do a National Road Plan and carry out the works in less than ten years... I hardly believe that we would be able to afford it even in ten years taking into consideration certain areas that we would have to build the roads; the cost of land and, of course, the cost of material for the roads. So the reason for the ten years is that it will be stretched over that period.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. Can the Honourable Minister say if the bypass at Crewe Road will commence this year?

The Speaker: The Honourable Minister. Hon. John B. McLean: As was pointed out, the Harquail bypass will hopefully be started this year and, with God's help, I hope it will be close to finished. Thereafter, the Crewe Road bypass will start. However, the Public Works Department will be looking at the route and will try to get the route gazetted so that once we have completed one, we can just start on the other.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: In the answer to the supplementary just before the last one, the Minister gave an explanation regarding the ten years and the cost involved with doing works. To ask specifically the question about the ten years, is it that it is anticipated that it is going to take ten years for

acquisition of 26th February, 1996 Hansard 17 the road corridors, or is that with a different time frame plan?

The Speaker: The Honourable Minister.

Hon. John B. McLean: Thank you, Madam Speaker. Once the route is established it is then for the Lands and Survey Department, if Government gives the go ahead, to acquire the property. The 10 year period is not for us to acquire property. It is the span over which we are hoping we will implement the National Road Plan.

The Speaker: The next question is No. 25, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 25

No. 25: Mr. D. Kurt Tibbetts asked the Honourable Minister responsible for Tourism, Aviation and Commerce (a) To provide a timetable for the installation of permanent moorings in the George Town Harbour; and (b) If Government is considering the installation of permanent moorings in the Spotts area. **The Speaker:** The Honourable Minister responsible for Tourism, Aviation and Commerce.

Hon. Thomas C. Jefferson: Madam Speaker, the answer: (a) The permanent moorings project will include both the design phase and the installation of three moorings in the George Town Harbour. At present, the Port Authority, in consultation with the Central Tenders Committee, is in the pre-qualification stage of tendering for the design phase which will include surveys of the area, design of the moorings and costings. After the final design has been accepted by the Port Authority, the Central Tenders Committee will process the tender for the installation of the moorings. It is hoped that this project will be completed in time for the 1996/97 Winter season. The answer to part (b): The Port Authority is not considering the installation of permanent moorings in the Spotts area at this time.

The Speaker: It is now 11 o'clock, and if there is a wish to continue to the conclusion of Question Time, any Member may move the suspension of Standing Order 23(7).

SUSPENSION OF STANDING ORDER 23(7) AND (8)

Mr. D. Kurt Tibbetts: I move the suspension of Standing Order 23(7) and (8) to allow the questions that are proposed to be asked to be completed.

The Speaker: Is there a seconder for that Motion? The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: I beg to second the Motion.

The Speaker: The Motion is moved and seconded. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. We may continue with Question Time.

AGREED. STANDING ORDER 23(7) & (8) SUSPENDED.

SUPPLEMENTARIES

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Minister say if the proposed plans for the permanent moorings in the George Town Harbour are parallel to the policy of not allowing any more than three cruise ships to visit the island at the same time?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: The reason for the three moorings is because the George Town Harbour can only accommodate three permanent moorings allowing the ships to swing 360 degrees without coming in contact with one another.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Regarding the answer to part (b) of the question, that the Port Authority is not considering installation of permanent moorings in the Spotts area at this time, is this purely a financial consideration, or is it not considered worthwhile?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: The protection of the marine environment is always a worthwhile thought, but the problem is financing to do it all at one time.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Minister say what is expected to be the cost per permanent mooring when they are installed?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: That would be absolutely impossible as we are now looking to design permanent moorings. We have before us four firms which have come forward for consideration in the pre-qualification stage for the design and costing. So it is difficult for me to give the costing at this time.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: While not considering the Minister's answer to be cast in stone, are there any estimates whatsoever which have been discussed that may give us an idea of the cost?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: Permanent moorings can range in all sorts of values. I am hesitant to even quote a figure on that. It can range from \$100,000 to \$1 million each. It depends on what is decided to be necessary in terms of the need in the George Town area. There will be three shal-

low moorings which will be at the lower end of the value quoted.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Will the cruise ship operators play any part at all in the installation of these moorings?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: We have been in consultation with the cruise lines for the last 12 or 18 months on the same issue and, obviously, they are going to continue to play a prominent role in it. We do not want to end up like some countries to the North who decided to install permanent moorings without talking to cruise lines and then the captains refused to use them.

The Speaker: The last supplementary. The Fourth Elected Member for George Town

Mr. D. Kurt Tibbetts: Have these cruise lines been approached by the Government, or have they made any offers regarding the cost of installing these permanent moorings?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: We have been talking to the cruise lines about installation of permanent moorings for them to play a part in the decision-making process to ensure that all parties are aware of what is being installed to ensure that cruise lines and the captains of those ships will use the permanent moorings once they are installed.

The Speaker: The next question is No. 26, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 26⁽¹⁾

No. 26(1): Mr. D. Kurt Tibbetts asked the Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture to outline the process by which the Ministry decides that persons are eligible for long-term financial assistance since its removal from the Department of Social Services.

The Speaker: The Honourable Minister.

Hon. W. McKeeva Bush: Thank you, Madam Speaker.

To determine eligibility for long-term financial assistance, the Ministry of Community Development, Sports, Women's and Youth Affairs and Culture has drawn up guidelines. In accordance with Government policy and the approval given by Finance Committee, persons who are disabled, handicapped, or who are 60 years of age or more, who are in need and are not working or do not have other means of income for their basic needs must be given financial assistance. It is also provided that written representation in the form of an assessment questionnaire should be made to the Ministry on behalf of each applicant. The procedure is coordinated and implemented by the Financial Assistance Committee which will deal with all requests.

SUPPLEMENTARIES

The Speaker: Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. The answer provided by the Honourable Minister does not state whether it is for Caymanians or persons normally resident in the Cayman Islands. Could the Minister kindly clarify that please?

The Speaker: The Honourable Minister.

Hon. W. McKeeva Bush: All financial assistance is for people resident in the country.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: The answer refers to an "assessment questionnaire". Is this the same as the means test which used to be provided and, if it is not the same, is there any means test which is done in order to give the Committee full information during the assessment process?

The Speaker: The Honourable Minister.

Hon. W. McKeeva Bush: The questionnaire contains many more questions than those asked by the Social Services.

For instance, it asks: When was the last time you worked? What was the salary, monthly/weekly? Do you have steady income assistance? Do you currently receive assistance from any of the following; pension, social security, veteran's pension, alimony, insurance, other sources? Do you live on your own? Do you pay rent? If yes, how much? If no, with whom do you live and what is the relationship? Do you have compulsory monthly expenses (monthly/weekly)? Do you have any medical expenses? Do you receive assistance from Social Services? They ask to list the amount. What is the name of the Social Worker? Do you have dependants? What relation are they to you? That is the sort of information it asks.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Minister say if the individuals seeking financial assistance are those who have to complete the questionnaires, or it is completed through some other means?

The Speaker: The Honourable Minister.

Hon. W. McKeeva Bush: In the Finance Committee of November or December (whenever it was), I said at the time that persons not connected to an individual could make a referral. In the past, representatives of the people (Members of this House) would make referrals to the Social Services Department. I said then that that would not change, they could still make the referrals to the Ministry. But a person needing assistance can make a request on his own; he can ask his representatives to complete his forms. A person can ask anyone to fill out a form.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Upon completion of the questionnaire when formal application is made, can the Minister outline the method by which the answers on the questionnaire are verified?

The Speaker: The Honourable Minister.

Hon. W. McKeeva Bush: As I have said in the substantive answer, there is an Assessment Committee and those persons scrutinise the applications and would seek further input if they desire.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Are the Social Workers in the Department of Social Services utilised in any manner regarding verifying the application?

The Speaker: The Honourable Minister.

Hon. W. McKeeva Bush: If needed, the Assessment Committee would certainly call on Social Workers, yes.

The Speaker: The First Elected Member for Cayman Brac and Little Cayman.

Capt. Mabry S. Kirkconnell: Thank you, Madam Speaker. Would the Honourable Minister clarify how residents in Cayman Brac and Little Cayman would deal with this situation; will it be through the Social Services or what is the procedure?

The Speaker: The Honourable Minister.

Hon. W. McKeeva Bush: Cayman Brac and Little Cayman, as I understand it from the Permanent Secretary, are dealt with separately.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Minister expand on the operations of the Financial Assistance Committee, namely, how many members, where are they drawn from, how often do they meet, and is there any consideration given when decisions are made to allow financial assistance that there may be some people who need temporary assistance, but given the right assistance may be placed into meaningful occupations?

The Speaker: The Honourable Minister.

Hon. W. McKeeva Bush: The persons who serve on the Financial Assistance Committee are: The Permanent Secretary, the Assistant Secretary from the Ministry, the Director and the Deputy Director of Social Services. Reassessments can be made on a six months basis.

The Speaker: That concludes Question Time for this morning. Statement by a Minister of the Government. The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

STATEMENTS BY MEMBERS/MINISTERS OF THE GOVERNMENT

NATIONAL FLORA AND FAUNA SYMBOLS

Hon. W. McKeeva Bush: Madam Speaker, recognising that features of a country's natural environment play a significant role in its evolving culture and due to such characteristics such as uniqueness and social value, flora and fauna may be regarded as symbolic of a national and cultural identity. Accordingly, the Ministry established an ad hoc committee comprised of persons with knowledge of matters concerning the local history, culture and environment to advise on the selection of a Cayman Islands National Flower, a National Tree and a National Bird.

The Committee, chaired by Miss Theresa Leacock, includes Miss Anita Ebanks, Mr. Geddes Hislop, Mrs. Gina Petrie, Mr. Fred Burton, Mr. Lennon Christian, Mrs. Joyce Hylton, Mrs. Heather McLaughlin, and Mrs. Arthurlyn Pedley representing the National Trust, National Museum, National Archives, Garden and Orchid Societies, Department of Environment and Government Information Services.

With the objective of promoting awareness and pride and the protection of the species, the purpose of the Committee was: (1) To determine the qualifying criteria for candidates for national tree, bird and flower; (2) to articulate and execute the process of selection and (3) to spearhead the subsequent promotion of a national tree, bird and flower.

The qualifying criteria established by the Committee and approved by Executive Council are: (1) A biological uniqueness to Cayman (that is, the specie or sub specie must be endemic); (2) it must be representative of all three islands (that is, must truly be national and, preferably, the species should not be the symbol of another country); (3) the social and cultural role and value; and (4) inherent beauty (must consider visibility).

The candidates qualifying under this criteria were: Flower: Wild Banana Orchid, Cordia flower; Tree: Silver Thatch Palm, Ironwood, Cordia; and Bird: Chip Chip, Bananaquit, Ching Ching, Parrot. The polling exercise was conducted throughout the period of April the 17th to June the 30th, 1995, votes were accepted either by using the ballot sheet drop box, mail, telephone, or facsimile submission.

A strong educational element was employed in the promoting of public participation, as well as the understanding of the qualifying criteria. The cumulative result was a relatively high overall participation level, particularly by primary school students, as well as an extremely high level of comprehension of the qualifying criteria. Just under 2,000 ballots were received and the choice of each category led the vote by large percentages.

The public's choice and those accepted by Executive Council are: The Wild Banana Orchid for the National Flower, chosen by 68%; the Silver Thatch Palm for

the National Tree, chosen by 75%; and the Cayman Parrot for the National Bird, chosen by 75%.

In addition to the usually acceptable status and conditions endowed by legislation to National symbols, and in the interest of ensuring a genuine cultural identity, a further condition should be that if members of the general public or other legal entities create and use images of the National Flower, Tree, and Bird for whatever purposes, the flora and fauna should be depicted true to their natural likeness.

To promote awareness and appreciation, the following special events and programmes are to be initiated: A Visual Arts Show and Contest with a formal presentation by Government as part of our country's observation of Earth Day International 1996; a Philatelic (Stamp) issued at sometime in the future; the Development of Education kits for schools and youth camps; and the Production of Promotional materials for schools, the general public and Department of Tourism. It is my hope that Members of this Honourable House, other leaders of this country, and the general public will endorse these representatives of our Caymanian flora and fauna as National Symbols and be the first to embrace another part of our Caymanian heritage.

The Speaker: At this time proceedings are suspended for 15 minutes.

PROCEEDINGS SUSPENDED 11.23 AM

PROCEEDINGS RESUMED AT 11.50 AM

The Speaker: Please be seated. The suspension of Standing Orders is down to be moved by the Honourable Minister for Education and Planning.

SUSPENSION OF STANDING ORDER 14(2)

Hon. Truman M. Boddin: Madam Speaker, I beg to move the suspension of Standing Order 14(2), so that Private Members' Motions may continue.

The Speaker: The question is that Standing Order 14(2) be suspended in order to allow debate on Private Member's Motion No. 2/96 to continue. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. Standing Orders are accordingly suspended.

AGREED. STANDING ORDER 14(2) SUSPENDED.

The Speaker: Debate continues on Private Member's Motion No. 2/96—Dredging in the North Sound. The Third Elected Member for George Town.

OTHER BUSINESS

PRIVATE MEMBERS' MOTIONS

PRIVATE MEMBER'S MOTION NO. 2/96 DREDGING IN THE NORTH SOUND

(Debate continues thereon)

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. I rise to make my contribution to Private Member's Motion No. 2/96, regarding dredging in the North Sound.

As this is an election year, it is no surprise that a hot issue will arise. In December someone who strongly opposes this Government mentioned that the National Team Government had given permission for dredging the Sand Bar and Stingray City. Of course I was unaware of this, but knowing how this individual opposes the National Team I immediately contacted my colleagues in Executive Council.

This is the type of propaganda that Opposition will spread because the public knows that the present Government (the National Team Government) is very sensitive to the environment and that it would in no way allow dredging to take place which would destroy Stingray City and the Sand Bar.

Eventually it came out that an application had been made to do a channel, and, again, this was wrong. I signed a letter along with other Members of the Team (which was published in the newspaper) stating that we had not received an application for a channel of a certain size and width and depth, and so forth, as was circulated on the marl road. I will admit that the Government did not handle this issue in the right manner and a statement should have been made sooner. However, we are not perfect. We dealt with it as quickly as we could.

The application that I signed the letter about stated that the dredging would be from Omega Bay Gardens down to Crystal Harbour and it would be for "X" amount of cubic yards of marl, and it would also clean up the existing depth created by the various dredging. When we heard of dredging in previous years being carried out along the coastline of the North Sound, there was a lot of public outcry against it. I remember when the dredging was taking place in Snug Harbour, the public was upset that it was being dredged—that trees were being destroyed, we would have no rain in that area.

Today, I know of one house lot selling in that area for over \$70,000. People do not like change, but when it comes to the environment I can understand people being concerned. Permission was granted, and the letter from the Permanent Secretary was laid on the Table of this Honourable House stating that "in principle" it was granted. I have spoken to lawyers, and they say that this is not binding. However, if Government had not looked at the proposal from the private individuals who applied for the dredging licence that would have been another story.

I have heard the public speaking of previous Governments that would not even listen or look at proposals from private individuals regarding certain businesses or land being developed. It is a year since we have been looking at the Harquail bypass and other alternate roads in and out of the Capital. It would have been another story if Government had not considered them. Like I said, the Government is

sensitive to this area and when they responded, the Permanent Secretary for the Ministry stated that it would be given "in principle", provided they did an impact study. If they would like to dredge then it is their responsibility to pay for this impact study.

I think the Government stated that they would have to do the impact study with the approval of the Natural Resources Department and then come back where they would take a look at it. At least this is how "in principle" was explained to me, and this is what is stated in the letter. That is how I understood it.

This Motion before us asks that "Government halt all dredging or proposed dredging until a study has been presented to the people of the Islands and the Legislative Assembly for consideration and debate." Again, the Governor and the Government are one step ahead of the Opposition. In the Throne Speech the Governor said that there would be no more dredging in the North Sound except for the two licences which were already granted back in 1988 and 1992, I believe were the dates. We must be very sensitive to development and our environment and if the Governor and the Government in Council believe after getting feedback from the public that this is what is best for the North Sound, then we have responded.

I believe a lot of representation from the people of the islands regarding dredging in the last several months has been heard, and it has already been taken into consideration. Until that study is done by those individuals, then the dredging will not take place. I am not sure where marl will come from if we are looking at building roads and maintaining our present roads. I am sure there must be acres of land in the interior which can be mined to secure marl, and I am sure that some developer will come along with this proposal as well.

Some amount of mining for marl has to take place if we are to continue with our national road plan, especially since it was outlined this morning that the Public Works Department is working on it. Certain members of the public have even said that we should import marl and it can be done for "X" amount of dollars and sold even cheaper than what we are presently paying. I am not sure of this, but the normal procedure will take place when the Government is bidding for marl for the building of roads (putting it out to tender), and I am sure the best and lowest possible price will be looked at by the Government.

No study has been done on the North Sound since 1975, which is quite a long time. I believe the Government was wise to put the onus on the private individuals who applied for this licence to dredge to have to come back with their own impact study. That way it will not be an expense to the Government and the study will be done. It would then be approved by the Government department responsible for the environment. I believe at this time that is sufficient. I agree that no further dredging should be done simply from the number of telephone calls and conversations I have had with the people whom I represent.

Therefore, the Government (as declared by the Governor in his Throne Speech) will do no further dredging. I am satisfied that this will take place. I cannot support this Motion because it is already being dealt with. Thank you, Madam Speaker.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Thank you, Madam Speaker.

The Government's position as set out in the Throne Speech (that there will be no further dredging in the North Sound other than the commitments for areas that licences had been granted back in 1988) is very clear. There can be no doubt about that at this stage. However, there are some areas that need to be dealt with and looked at, and some representations that have been made which I think need to be clarified.

The position in relation to marl and dredging in the islands was read from the Wickstead Report in considerable depth by the Fourth Elected Member from George Town. But there were certain sections he failed to read which obviously do not support the position that he and the Opposition had taken at one stage.

The report has set out several recommendations, and in Section B, Part IV, which is headed "B 4.5 Recommendations for Dredging Operations. It says: **"Dredging to be limited to the southern fringe of Sound with the following boundaries [and it sets out grids]. Approximate estimated yield from this area is 12 million cubic meters of marl fill."** So there was, in 1976, an estimation of some 12 million cubic meters of marl fill. In the second paragraph it says: **"Five meters [which I understand is 15 feet] to be the maximum depth below sea level to which dredging may go in, in either the Sound or Black Mangrove region."**

So with all of the cautions that the Fourth Elected Member for George Town set out, he failed to say that there had actually been recommendations for dredging of substantial fill. I know that he was a member of the Planning Authority from 1985 to 1991, so he would be aware of this report and he obviously approved all of the substantial dredging such as SafeHaven and the early Caymarl dredging in relation to the land itself. What I am trying to do here is to show that despite the cautions set out in the Wickstead Report, there was in fact a recommendation to dredge down to 15 feet and mine some 12 million cubic meters of marl.

There are other areas which are interesting, and I am only dealing with that because it was dealt with before in depth. The report deals in with sand, it deals with operations that were dealing with canals, and it seems that in many parts of the report it has taken (while looking at the environmental aspects and weighing them carefully) into account the fact that development in any country needs to go on.

One of the areas mentioned (and I am getting this Report photocopied so that I can have the opportunity to look at it in depth) related to the recommendations on canals, access channel, and borrow pits (section B (7)(vi)). It says: **"Residential canals can be biologically productive, recreationally valuable, and assets to housing developments."** It goes on to set out different things relating to it. It is all in meters. I understand it was done under the metric system which was coming in then. I am reminded by my colleague who is responsible for this matter, that of all the permits granted by Governments in the past—not by us—and the Planning Authority in the early days when that was involved, did not even go near what was recommended at that time.

One of the things that also worries me is that with the increased number of power boats in the North Sound there is a very marked increase in turbidity. It is interesting that in the course of any one day, perhaps 30 to 40 large

propeller-driven boats (the sail boats do not affect the North Sound) crossing it from all different angles create very considerable amounts of silt. In places like Florida, that turbidity is reduced by having properly marked channels in which boats would remain, rather than going into the shallow areas.

But it is interesting that the Wickstead Report, on page R.10 (which is headed R.4 North Sound as an amenity centre), says: **"An aspect to this which is very important to stress is that I am thinking specifically in terms of wind-powered boats with perhaps a small auxiliary for emergencies and not power boats that are solely propeller driven. The general shallowness of North Sound (and the importance of the surface stability at the bottom has been noted in previous reports), does not require a very large or very powerful boat to disturb the bottom with its propeller."** I fully support this.

Let me state again that I fully support Government's decision to stop the dredging. But what is being said here is that with the increase in power boats—the dive boats, boats carrying a lot of people—we are getting increased turbidity in the Sound which is also bad. One way of reducing that is to keep them within a specific path so that each boat's propeller would be churning up mud or silt only in the one area. I am not a specialist in this area, but I did find that quite interesting.

The Fourth Elected Member for George Town has obviously been into this in great depth since 1985, perhaps, when he was on the Central Planning Authority. Those were the days when these very large projects were dealt with in depth. I do not profess to know the report as good as the Honourable Member does, but what I will do is get a copy of this and look at other aspects. I support what the Member has said in areas where caution has to be exercised. When there is an application for dredging the procedure normally follows the fact that there is a Coastal Works application that has to be sent to the Ministry and it requires approval because it relates to coastal works.

Once that is returned a report is required. Let me just state this: Any application to Executive Council must go to Executive Council. We need to make that clear. If somebody makes an application to Council, then it has to go to Executive Council. Letters come in all the time regarding all range of matters and they go to Executive Council where the request should rightly go. After the initial request then an environmental impact study is carried out by the Department of Environment. After that, a report would come to the Ministry along with the Department of Environment's comment on it along with their recommendations and/or conditions.

A formal application comes to Executive Council and it is at that stage that the matter is dealt with. Much has been made of a letter dated the 11th of September, 1995, signed by Mr. Kearney Gomez as Permanent Secretary in the Ministry of Agriculture, Environment, Communications and Works. It was interesting to see that when the Second Elected Member for Cayman Brac and Little Cayman read the second paragraph, he looked somewhat amazed.

The reason for that amazement is because it does not support what has been consistently said publicly by the Opposition, and in many instances by their violent supporters who have been trying to push this issue.

POINT OF ORDER

(False allegations)

Mr. Gilbert A. McLean: Madam Speaker, on a point of order.

The Speaker: Yes, Second Elected Member, may I hear the point of order?

Mr. Gilbert A. McLean: The Minister for Education has just spoken about the violent supporters of the Opposition. I know nothing about any "violent supporters". I would assume that only violent supporters would support him. I ask that he not make such allegations.

The Speaker: Honourable Minister.

Hon. Truman M. Bodden: Madam Speaker, I believe what I said was that... I did not impute that the violent supporters are that Member's. By no means. I was talking about supporters generally, outside, who opposed or who were in opposition to dredging.

The Speaker: You have made that quite clear, I will accept that.

Hon. Truman M. Bodden: Sure! I would never make that representation because I know they were not his.

The Speaker: Please continue, then.

Hon. Truman M. Bodden: So I would go on, Madam Speaker.

It says: **"I am directed by His Excellency the Governor to advise that approval in principle has been granted in respects to your North Sound Proposal dated 12th July, 1995, which would serve to link all canal developments between Batabano and Omega Bay as well as the Main Channel. Please be advised, however, that approval for the issuance of a coastal works licence to dredge the six million cubic yards of material, is reserved at this time..."**, This is very important: **"is reserved at this time."**

I go on: **"...following the outcome of a full technical review of the application including an Environmental Impact Assessment by a firm approved by Government and at the expense of the applicant."**

This letter does not legally bind the Government to issue any licence. It is a letter that obviously came to Executive Council upon which decision was reserved. So it is untrue for the opposition to dredging (I am talking about opposition to dredging, not Opposition in this House when I speak that way) including the violent part of that opposition to try to say that Government is obligated under this letter to issue any licence.

The decision is reserved, it says; **"Please be advised that approval for the issuance of a coastal works licence to dredge the six million cubic yards of material, is reserved at this time..."**, and it goes on, **"...following the outcome of a technical review of the application including an Environmental Impact Assessment by a firm approved by Government and at the expense of the applicant."**

So this letter puts it beyond a doubt that all Government did, regardless of any confusion of what is **"ap-**

proval in principle"... because in different aspects and different types of transactions "approval in principle" carries a different meaning. But you have to look at the peculiar aspect of the case, in this case it was clear that the approval was reserved. It would then have followed the process that I outlined earlier; an application in depth would have to be made on a specific form to the Department of Environment (as filed with the Ministry, I think) and that would trigger an environmental impact study which the Government would direct, but which would be paid for by the applicant. Why should Government pay for a study for that specific application?

After that is done the Department of Environment does an assessment and then a detailed application comes up to Executive Council. This is the way it has always followed during our time. Knowing the period of time these studies take, and the period of time that the Department of Environment takes to look at matter this complex, it is nothing that would have happened within the next nine months to a year, or thereabouts.

So I hope that puts to rest any question that all we did was look at an application that came in and say to them, follow the process and at the end of that we reserve our decision and will make it at that time. That is why it was very simple for Government to take the position it took. We are obligated under the 1988 dredging agreement, and obviously we cannot stop that, otherwise we would be subject to damages because that is legally binding. But we have nothing binding with these applications.

I stress again that when people write or make application to Executive Council, we have to look at all sorts of letters. What I cannot do, and what would be wrong, is if an application came to me that should have gone to Executive Council, for example, for me to stop it and say it cannot go to Executive Council... constitutionally I cannot do that. So a lot of these different letters come up and they range from anything between things such as asking the Governor to exercise the prerogative of mercy for someone in prison, through to all sorts of requests perhaps relating to specific types of businesses, etcetera.

From there I would like to go on to deal with areas raised by the Second Elected Member for Cayman Brac and Little Cayman.

The licences for the vast amount of dredging, in fact, the 4.1 million cubic yards authorised to be dredged in the North Sound, were granted by previous Governments. So the Second Elected Member for Cayman Brac and Little Cayman, when he purportedly swipes at the Government, is only hitting people like Mr. Ezzard Miller and Mr. Linford Pierson who were the Executive Council Members during part of the time, and the earlier Executive Council Members who dealt with dredging. SafeHaven was issued—and I am taking this from the Auditor General's Report—in June of 1988; the North Sound Marl Pit, October 1988; and Crystal Harbour was in November 1992. They totalled 4.1 million cubic yards.

So the attempt to put this problem of dredging on the back of this Government simply does not exist. What we have dealt with has really been peanuts, and only dealt with borrow areas within borrow areas which existed there and to small amounts that were dealt with. Nothing is in the area that could even reach a million cubic yards. This whole thing is aimed at hurting Mr. Ezzard Miller and Mr. Linford Pierson who people are now politically linked with.

They need to remember that this is not our problem. We have given no decision under that letter they have tried to smear us with. I am reminded that one of the largest areas of erosion in the island is at North Side. I have seen pictures here for a channel that Mr. Ezzard Miller had dredged in that area which has caused serious erosion. So we are not the people to blame for this.

I have two young children. I enjoy going to the Sand Bar and I take them there as much as anyone else. I would be one of the last persons to touch or do anything to hurt the environment of Cayman. Some development must go on, but it must be carefully monitored, carefully controlled. When you look at how some of these dredging matters came about it will perhaps lead to a bit of the history as to why these large amounts were approved then. On page 31 of the Auditor General's Report it states: "**File for SafeHaven was archived and was not made available to the Audit Office.**" Where is the file?

In relation to that project, the 1992 Public Accounts Committee's Report stated that, "**In these circumstances the Committee was surprised to note that negotiations with SafeHaven's representatives were concluded within a period of two hours.**" That related to the extension of the lease in the dredged area by Mr. Linford Pierson who, himself, apparently carried out the negotiations. I will come back to that at a later stage under the Throne Speech.

A lot is left to be desired in relation to the operations in the past. We have to remember that many times, along with the granting of the dredging, the Central Planning Authority allowed very extensive canalling in 1988, and thereabouts, in the mangrove areas. There must be progress. I am not being totally critical, but I am pointing out that if the Opposition and the Fourth Elected Member for George Town want someone to criticise, then they must criticise their colleagues who are now linked with them who were in Government at the time. I think we find that there has been a lot more caution exercised in recent years in relation to all types of dredging operations.

There have been small ones done by some of the critics in fact, as the Minister for Lands and Survey pointed out. Even within areas where you cannot even drop an anchor (environmental zones) docks have been put out. To go on as the Second Elected Member for Cayman Brac and Little Cayman did, talking about gambling on islands and all of this, is total illusion. It is nearly like trying to create nightmares. There has never been any application to us for gambling or for an island or anything else.

So I would say that that Honourable Member must be drawing this from the days when his colleague was in Government, as I understand when they were getting ready to put down a massive operation for cruise ships or transshipment or whatever.

POINT OF ORDER (False implication)

Mr. Gilbert A. McLean: Madam Speaker, on a point of order.

The Speaker: Yes, Second Elected Member for Cayman Brac and Little Cayman, may I hear the point of order please?

Mr. Gilbert A. McLean: Madam Speaker, I have never had any colleague that I know anything about who has received any application for gambling, ever! I do not know what the Minister is talking about. It is absolutely unfounded.

The Speaker: Honourable Minister for Education, can you...

Hon. Truman M. Bodden: Madam Speaker, he raised this question about gambling and islands. I said I knew nothing about it and he must have heard it from his colleague. Where did he get it from? Or did he just make it up? I find this very funny. He raised an issue which I am entitled to comment on.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Madam Speaker, what the Minister said was that "my colleague in the past had received applications for gambling." I have no colleague that I know anything about who received any applications for gambling.

The Speaker: Honourable Minister, I would ask that whatever is said, please be specific rather than saying something that might give rise to an implication which you may not have intended.

Hon. Truman M. Bodden: Thank you, Madam Speaker. It just goes to show that when one makes wild assertions, they can sometimes come back to haunt one. I will get off gambling now, but I think both the Opposition and we ourselves know that no applications have been made to us, and I do not know why this was introduced trying to impute that applications for gambling had been made.

The Speaker: In any case, Honourable Minister, please do not talk anymore about gambling. Thank you.

Hon. Truman M. Bodden: Yes, Ma'am. I am very happy to keep away from that. There are other areas that were approved, as I mentioned, under the previous Government such as this channel at North Side for Mr. Ezzard Miller when he was in here, which has caused a lot of erosion.

Another one that has been pointed out is that they approved a fair amount of brine from CUC's water plant going into the North Sound. Somehow the Opposition has forgotten about these things because they are now politically in bed with some of the people who made these decisions.

One of the areas that perhaps needs to be discussed is that, from what I can see, marl is in serious shortage at this time. Marl either has to be taken from the seabed, in which case it is marl that the Government owns and can probably get at, say, \$4.00 per cubic yard, or at least (according to the Auditor General's Report) \$3.50 if it is done through draglines or \$4.00 if it is done through the hydraulic dredge.

If Government is to build roads, it is going to need a very substantial amount of this, say, perhaps 300,000 cubic yards or 400,000. The cost of marl now as I understand it ranges between \$13 to \$14 per cubic yard when you can find it. So the cost of building roads is going to be considerably more (looking at it from an economic point of view) if we have to buy marl, as against using marl that is being dug from the Crown's property. I believe that no matter how we go, whether the marl is dug from the land (which it will now have to be, I guess) or whether it is taken from the sea, development will have to come from somewhere. Someone came up with a view of bringing in marl from some of the other islands.

This, I have been told from a professional point of view, has very many serious implications: 1) The risk of disease when you bring in large amounts of soil from abroad, diseases such as the hoof-and-mouth (I do not know what is referred to there) but obviously diseases which can affect animals; 2) the possibility of poisonous snakes, that especially was pointed out to be quite a risk; 3) insects, many of them unknown here.

We know we do not need any more of them with our present mosquito problem which is well under control but which still exists. There is also the question as to where you would unload all of this and stockpile it. Obviously, you would have to quarry some channel somewhere to get it off because you could not unload all of it in the middle of Town. 4) I guess the cost of this would be horrendous. So I think that is fairly well ruled out.

I do not think that we need to run the risk of bringing in the *Aedes Aegypti* mosquito or bringing in poisonous snakes or anything of that sort. So it is left, in reality, to the fact that marl in this country must either come from the land or the sea. If we have to build substantial roads (and we are now faced with the Harquail bypass and the Crewe Road bypass) then it must come from somewhere. Where that will be, I do not know. I have taken the decision with Executive Council (and it seems the popular view) that there should be no new dredging licences. I think there is a limitation of one hundred and something thousand on one, and six or seven hundred on the other.

I pose that question just to say that there are always other further implications of any act that is done. I would also like to stress that these days decisions relating purely to dredging are made through the Executive Council and not through the Central Planning Authority, except where it is part of an overall project such as SafeHaven and the marl pit that did go to the Central Planning Authority in 1988 or thereabouts. It would still happen that if the application related to both land and sea, then the land part would be dealt with by the CPA and the sea part by the Executive Council.

After looking at the situation here and weighing it as a whole, this Motion actually falls away at this stage because Government has stopped (should not say stopped), has not granted, and has never granted these large dredging licences as alleged. All that we are now doing is honouring the small amount that remains within borrowed areas which were originally approved many years ago. I have nothing against carrying out an environmental impact study, I think that would be good. It obviously will cost a lot of money, and if, as the Motion recommends, Government is going to pay for it, then I think the Member needs to further tell the public how much that is going to be. Normally, when applications for studies are put in, the private applicant pays for it so that Government does not end up paying for it.

I would not want to get into the business of Government selling marl. I think the days when the Communists ran all of the business in the country (the Socialists)... that is the way they did things. In this instance, for example, they would dredge up marl, not let anyone else sell it, and sell it to the private sector. Well, this is a Democratic Government and I believe that the less Government interferes in the private side... in fact, the more the private sector can do, the better off the people of this country will be. Normally the private sector does it in a more economical way than Government does.

So I would be very much against what this Motion refers to here—taking a socialist position, saying 'no more dredging, Government is the sole provider of marl in the country', and then selling it to the private sector under a monopolistic situation. The countries in the Caribbean which took the socialist approach in the past are now no longer in existence. They have been destroyed by this approach. Beyond that, I have no problem with what the Motion says about the Environmental Impact Study. I would prefer that Government not have to pay for it, I do not see why we should. The other areas that relate to getting marl for public development, for the roads and that sort of thing, I would be for.

But this Motion, as I said, falls away because, in fact, Government has already stated that it will be granting no further

dredging rights. I think the Motion itself is political and ill-founded and, like all motions of that sort, it will fail.

The Speaker: Proceedings will be suspended until 2.30.

PROCEEDINGS SUSPENDED AT 12.45 PM

PROCEEDINGS RESUMED AT 2.40 PM

The Speaker: Please be seated. Debate continues on Private Member's Motion No. 2/96. The First Elected Member for Bodden Town.

Mr. Roy Bodden Thank you, Madam Speaker.

Being the seconder of this Motion it could quite naturally be expected that I would have some comments on it. By way of clarification, let me put to rest any frivolity suggesting that this Motion was brought here merely to seek political mileage or to create political mischief.

The Motion has its merits in the realisation that we as the elected representatives of the people have a serious duty to manage and hold in trust the resources of this country for future generations. In so doing, it is our responsibility to ensure that these resources are not extravagantly or recklessly disposed of. If that were the case, then when the time comes for us to give account of our stewardship, history will not be too kind to us.

More importantly, those persons who will have quite rightly expected us to manage the resources prudently will have been sorely disappointed and the country and future generations will be worse off. We can learn from the experiences of other countries and, if we are prudent, avoid many of the pitfalls which they fell into because they had no previous experience to base their actions on. Certainly, in the matter of dredging there are great lessons we can learn from our neighbours to the north, especially Florida, which bear many physical, environmental and economic positions to us here in the Cayman Islands.

From my understanding this kind of development started in Florida perhaps in the early years of this century, but the awareness came into being around the 1960s. I would like to quote briefly from a document entitled 'Dredging in the Florida Keys', a document published by the Harbor Branch Foundation. It is publication No. 33. Its editor is Mr. George M. Griffin.

In the introduction he states: "**In the late 1960s and especially in the early 70s, the rate of development in the Florida Keys increased rapidly and undesirable effects began to be reported. The problems mentioned most often in newspaper and magazine accounts was a supposed relationship between excess siltation produced by dredging and the decline in health of the coral reefs which lie several miles offshore.**" This document is based on field research and ongoing monitoring of dredging in Florida.

The basis of this document was recommendations made for the monitoring and managing of these operations with a view toward controlling damage done to the marine environment.

I crave the indulgence of the House to read from page 49, "Recommendation 9", which runs from (a) to (e). "**It is recommended that research into the technology of dredging and its potential effects continue. At present there is insufficient quantitative knowledge of at least five points: (a) the tolerance limits of organisms to increased sedimentation and turbidity; (b) the width of mangrove fringe and/or the laessia beds necessary to provide adequate natural suspended sediment traps (that is, natural water clarification); (c) the ultimate depositional site of the excess particles generated by the dredge; (d) the optimum methods of pro-**

viding oxygen-bearing water to the perimeter and other interior canal systems; (e) the size-distribution of the dredge effluent and the possible effects of changes from the natural size distribution on the respiration of some of the important organisms of the inshore area."

I want to say that I, like other speakers, do not set myself up to be an authority on dredging or on the effects of dredging. But what my colleague moving this Motion and I did, was to avail ourselves of information that we could use to sensibly put forward our views on this issue.

Let me clarify our emphasis: It is that an environmental impact study be done. It strikes one as being bad management to move from one extreme to the other; to grant approvals in principle to dredge six million cubic yards and fill, then, out of crisis management and when the heat is turned up, to say no more dredging. It may be that the environmental impact study will show that limited and controlled dredging can be effectively done. We do not know.

Without such an impact study we may never know. It is my understanding from the resource person with whom we spoke, who is a professional engineer and who is employed in this kind of work in Florida, is that the North Sound is the spawning ground and juvenile nursing area for much of the marine life found around the Cayman Islands.

We understand from our conversation that one of the concerns that we should have with dredging in the North Sound is that if the effluent and the silt dredged up in the North Sound were by any circumstance to find its way outside of the North Sound (where it is now contained) to any of the premier dive spots we have now, that we can kiss those dive sites good-bye.

It was suggested to us that we have to take into consideration the fact that we are sometimes struck by hurricanes which could disturb the silt and take it out through the channels of the North Sound area where it is presently and normally contained. That is a fear that we have to live with if any extensive dredging is carried on in the North Sound. It is also my belief that no one in their right mind would wish for this to happen. I say that because we need to take care. I will show later on in my contribution that in many jurisdictions dredging is taken so seriously that Government and authorities require the dredgers to put in place certain mechanisms. In many jurisdictions these are referred to as restoration and enhancement exercises.

I want to make the point that the dredgers' obligation is not limited to paying royalties for dredging up the amount that he or she has a license to dredge, but in many jurisdictions they have an obligation to restore the environment to as near its natural state as they possibly can. We were told by the engineer in Florida that in Florida a dredging developer is required to re-plant 10 square miles of seagrass for every square mile destroyed. So it is not an exercise taken lightly by the authorities and developers who apply for these licences.

We understand that before an operation is agreed upon certain baseline information has to be gathered. This information includes what is growing on the bottom, how the bottom communities are composed, what kinds of fish and marine plant life are there.

Secondly, an understanding of the coastline dynamics: whether there are any shallow bars, any ridges, inlets, bays; whether the subterranean structure is composed of soft silty material, or if it is hard rock. It is also necessary to know of the lateral movements of the sand; what interrupts the coastline drift, and the water circulation patterns. It was suggested that the North Sound would have to be studied as an ecological unit in itself. Certainly, Caymanians from all walks of life, but especially those familiar with the North Sound, realise and admit that the North Sound is the spawning ground and habitat, the juvenile nurturing ground of a variety of marine life in these is-

lands—snapper, grunt, even sea turtle. It is a delicate area which has to be cherished.

It is also my understanding that there are three principles in dredging: the first is to avoid negative impact. We understand that it is totally impossible to avoid negative impact in dredging operations, so steps are taken to minimise this negative impact. We have evidence of some of those steps in the pictures which were circulated in the dredging operation at the Port of Miami by the establishment of silt screens which contain the silt within a certain area from which it can be effectively managed.

If one examines the picture carefully, one can see that it is impossible to screen all of the silt. There is a little white spot underneath one of the screens. It is totally impossible to capture all of this silt. What can be done limits the amount of silt which escapes. Comparatively speaking, if we examine the other picture we will see that the screens are wholly ineffective. The whole area is milky white. There are none. It is floating all over the sound. I do not know how long it has been there, I only know that it takes a matter of months to settle, if it settles completely at all.

The third principle in addition to minimising the impact is mitigating the impact. That means replanting seagrass and resetting disturbed reef by making artificial reefs. So the areas of reef and rock cut by the dredging operation are replaced by old wrecks, old cars or whatever, which give the coral an opportunity to reform and grow within the shortest possible time. We understand too that in this jurisdiction and this area of the world, the foremost authority on dredging and its effects (like in Florida and the Cayman Islands) is the Rosenstiel School of Marine and Atmospheric Science located at the University of Miami, called RSMAS for short. It is understood that at this school the most experienced and foremost scientist has a corpus of relevant and current knowledge on dredging and its effects in the area of Florida, which would have some relevance to our jurisdiction here in the Cayman Islands.

What we are talking about is not a frivolous exercise. It is not something which was brought to effect political mileage. By agreement with the Government we decided there would be no campaigning and no political one-upmanship in this session. We set the June sitting as the time when campaigning would begin. So what we are talking about here is a serious concern that we wish to draw to the Government's attention.

This leads me to mention that when we were researching material on this debate, through the offer of a good friend we perused the Worldwide Information Network, the Internet as it is commonly called. We found a very interesting and relevant case study of Cockburn Cement Ltd., in Western Australia. It is unfortunate that I did not duplicate this document, but let me say that it is a document which any Government could use as resource material. This document goes to great lengths not only about the disastrous effects of dredging, but also how significant ecological studies are set up. What is interesting is that it delves into great length about seagrass and, the importance of seagrass and its intrinsic biological value, not only to the marine life, but to us as human beings. It is no exaggeration to say that this material is an education in itself.

Perhaps its most important contribution is the fact that it spells out in intricate detail the requirements of the Ministry in Western Australia, as far as the obligation of the developer is concerned, with regard to restoration and enhancement. One significant difference (and I do not know how expensive these studies are because it gave no figures) is that this study is different from what we are requesting. I will explain why our request is the way it is in a moment. In this study the authorities in Western Australia required the developer to do this study.

However, the study was overseen by the authorities and the Government of Western Australia. Every step of the way (as far as the study was concerned) was monitored and communicated to the Government. I will not get into the ramifications of the importance of seagrass and all that. I will only say that it was a stringent requirement that the developer replace as much of this seagrass as could be successfully done, as it was realised that this was the strainer of silt and sedimentation as well as a haven for small and delicate marine life.

The reason why those of us concerned with the Motion requested that the Government bear responsibility is the fact that there is a well-known adage that says, 'He who pays the piper calls the tune.' If Government were to pay, then they would have almost absolute control on the exercise. Certainly, Government would have exclusivity to the material generated by the research and would not have to depend on the generosity of the paying entity to have a corpus of knowledge as to what was done. It is unfortunate that the National Team Government mishandled the situation to such an extent that this whole controversy emanated from a leaked document which gave approval in principle for the dredging of six million cubic yards.

It now turns out that that 'in principle' approval no longer exists. But the National Team Government has not said if that approval has been nullified, cancelled, postponed or otherwise negated. They only now say that there will be no more dredging in the North Sound except in these two instances. Certainly, if one takes as evidence letters to the Editor in recent issues of the Caymanian Compass, there is no doubt that this issue is indeed an emotional issue. As with all emotional issues, sometimes events get out of hand.

Let me say that the responsibility of the Mover and I as representatives of the people, is one which we hold sacred and take seriously. Our objection to the business of dredging in the North Sound is limited to statements that we have made and perhaps will continue to make from the political platform and from our position inside this Honourable House. I certainly had no knowledge of any violence associated with the effort against dredging until it was mentioned by the Minister who last spoke.

Although I must admit that I am not the most ardent follower of CITN, I am aware that the news carried some flash of a demonstration at a public meeting one night. Anyone who knows these Members, knows that we would distance ourselves from that kind of irrational and dangerous behaviour. While I will be the first to admit that we have our differences with the National Team Government, we have always maintained the civility and scrupulousness to air those differences in the hallowed chambers of this House where they should be aired. It might not be necessary, but I want to state for the record that we had no part in that. I cannot say who did it. I am not the police and I did not investigate.

I do not consider it my business. Indeed, I am prepared to continue along the route I am going. I will only add to that as a footnote, that it is not my style, has never been my style and at my ripe old age in this business I do not ever want that to become my style. The Honourable Minister responsible for Agriculture, Environment, Communications and Works said in his speech that he had never come across so many professionals on dredging in the North Sound than he has over the past few weeks. While that may be so, I believe that the sudden outburst of professionals on dredging is as a result of the concern that people have over such a delicate issue.

I have said that in my opinion the whole furore could have been avoided if the National Team had taken a different tactic. I do not know, and I am not prepared to get into the semantics of what 'approval in principle' means, only to say that it would have been good if at the very initial instance there had been an admission, an explanation at that point as to what 'ap-

proval in principle' means. I disagree with the Honourable Minister responsible for Agriculture, Environment, Communications and Works in this regard. I disagree vehemently.

It is right, it is reasonable to expect that people are going to talk about the detriment to the North Sound under these circumstances and conditions. We talk about turbidity, salinity and effluent sedimentation. True, but we do not know to what extent there has already been irreparable damage done to the marine life in the North Sound. Certainly, if we are to believe the professionals and the experts, we must be concerned about siltation and floating sediment. If we agree that this is an environmentally safe zone, then we have to be even more concerned. There is almost a compulsory obligation for us to arrive at some point where we understand the implications of what further dredging on any scale in this area will do. I want to make a point.

The economic development of the Cayman Islands, as I understand it, is based in a large part on this kind of development. That is the reason I say that it might not be the best strategy to withdraw completely in our shell and say no more dredging—period. The best strategy might be—as the Motion quite rightly seeks—for us to have some study so that we can be aware of the effects. Can we dredge on a limited scale? Can we dredge on a larger scale? What are some of the things that we have to provide? What are some of the implications with which we are faced? I am also suggesting that this will tell us what the obligation of the developers should be. The time might well be that we start some kind of restoration and enhancement unit and that, if not in place already, the Government investigate the possibility of starting an environmental resource management unit which can be their source of consultation and the Government's arm in ensuring that these kinds of operations restore a part of the disturbed area to as close as its natural position as possible. It is mind-boggling to think that six million cubic yards of marl at \$10 per cubic yards would fetch \$60 million.

So I think that a developer has some obligation even beyond ensuring that silt and sedimentation do not detrimentally affect the North Sound; that they would have some obligation to restore the disturbed area as close as possible to its natural state. Sixty million dollars is not a paltry sum. We must learn from what is happening in Florida and Western Australia and other jurisdictions and require developers to do some restoration and enhancement to disturbed areas.

The Minister for Education likes to remind us about the past. In many instances this is good because unless we have a knowledge of the past we will not do very well in the future. But I want to say that I do not feel that it is my obligation, and I am not so generous with my penitence to take it upon myself to apologise for any mistakes or travesties made by the past Government. I had no brothers in that cabinet. If they made mistakes, they must bear the consequences. I have no association with the Minister who was at that time responsible for granting leases. I do not feel compelled to bear any responsibility that he should bear. If there is any flogging to take for any travesty, he must take the flogging himself—he will not be getting any help from Roy Bodden.

The remark was made by the Minister for Education and Planning that the Government was going to need some 300 to 4,000 cubic yards of marl for its road work and other works. The question was posed as to where it was going to come from if not from the dredging operation. It is interesting to learn that one of the questions posed to the person with whom we spoke was: What about onshore mining of marl? Comparatively speaking, how does that fit in with dredging in the sea?

The answer came unequivocally that it is by far the lesser evil. In fact, the engineer told us that in many developments in Florida, that is the route that people are taking now

because with in-shore mining, developers can get more lake front lots than they can with onshore, particularly in a limited area.

Also, it was brought to our attention that the effluent and run-off is routed back into these reservoirs and lakes which are left after in-shore mining. In the final analysis, the engineer said that the developers have the option of turning these lakes into breeding aquariums and fresh water reservoirs for fish like tilapia and shrimp which can be grown on a commercial scale.

I say that to say that in a subsequent sitting, the Honourable Minister responsible for Agriculture, Environment, Communications and Works answered me to the extent that this type of mining had been discontinued by the Government in the Cayman Islands. It is my understanding that we have a few people who would be interested in applying for approval to do some onshore mining of marl. I would like to see some kind of assessment made as to how effective this would be in meeting the needs that we presently have for marl, even some kind of assessment as to the detrimental effect, other than what is talked about: the unsightly business of these open water lots. As a matter of fact, if we follow the development of road building and acquiring of fill in this country, we got much of it in the early stages from just this type of work—backhoe and dragline digging.

I understand that recently there has been another approval in principle by the developer of the Heron Harbour site for 225,000 cubic yards to be dredged under channel maintenance. I say that to underscore a point: We need to arrive at some position as to how much dredging can be done. I do not believe that we can continue developing a certain way with no dredging at all. Consequently, the Motion has merit.

POINT OF ORDER

(Misleading)

Hon. Truman M. Bodden: Madam Speaker, if I may just take a point of order.

The Speaker: May I hear the point of order, Honourable Minister?

Hon. Truman M. Bodden: The Honourable Member has said that approval has been given for Heron Harbour to dredge some 225,000 yards. To my knowledge that has not come from the Government, so if he is imputing that we have approved dredging there, that is a totally incorrect statement. He may have an explanation for it, however.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden I am not imputing that it came from the Government. I am saying that it is my understanding. Just like the Government said at the beginning that they had no knowledge of the six million cubic yard approval in principle, I do not expect anything other than that. I made no accusation of the Government. If I were accusing them I would have said that they gave permission. I did not say that they gave any permission, Madam Speaker.

The Speaker: Thank you. It is not a valid point of order. Please continue.

Mr. Roy Bodden I argue that this Motion is relevant and timely, and that if we in this country are to follow a sensible development path we need to arrive at a point—by virtue of an environmental impact study—where we know exactly what we can and

cannot do in the North Sound. I also say that I am of the firm opinion that there is scope for some onshore mining of marl. Thank you.

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: Thank you, Madam Speaker. I rise to give my contribution on Private Member's Motion No. 2/96, entitled Dredging in the North Sound.

First of all, let me say that I welcomed Government's announcement through the Throne Speech that no approval would be given in the future (that is, between now and November 1996) for any dredging in the North Sound. I think that is very wise and something that the people as a whole welcome. The issue of dredging was one that was addressed extensively in the Auditor General's report of the past year, and one that also comprised a large portion of our Public Accounts Committee report. I continue to support the position that the PAC took on this issue and their recommendations.

For the benefit of the House, I would just like to state those again. On page 9 of the PAC report, it says: **"The Committee recommends the following: (a) There should be a thorough independent review of all aspects of marl dredging. (b) There is need for comprehensive legislation to regulate dredging activities. This legislation should be developed following the independent review suggested above and should incorporate dredging guidelines. (c) The existing Marine Conservation Laws should be extended to encompass dredging. The Department of Environment should be given statutory backing for its role of protecting the marine environment."**

I continue to hold that view. The issue of dredging is a very sensitive one here in the Cayman Islands, one that people feel very strongly about. Rightfully so. I believe that the time has come for Government to take a very serious look at the feasibility of any future dredging. I know we continue to need marl for construction purposes, and there is always a need for limited dredging for future development.

But I honestly feel very strongly about this, and for that reason I have no problem with the first resolve in this Motion which says: **"BE IT RESOLVED THAT Government consider commissioning an environmental impact study by recognised experts in the field, to be paid for by Government..."** I believe that the Government has to arrive at a policy position with regard to dredging.

Some Hon. Members: Hear, hear!

Mr. John D. Jefferson, Jr: We cannot be in a position where these feasibility studies are only done when an application comes before Executive Council for approval.

These are my views. These are not the views of the National Team or the Opposition. These are my personal views on this issue. I see no reason why Government should not pay for these studies. Government has spent hundreds of thousands of dollars on less important issues such as bringing in consultants. I believe that because so much depends on protecting our marine environment that this would be money well spent.

Let me also add that I was a bit surprised to learn that Government had even granted approval in principle for

dredging in the North Sound of the magnitude that I later learned was involved. I was personally very disappointed. Prior to becoming a representative of the people, I worked in Government in the Banking Department. One of the responsibilities I had was to review applications for banking licences.

The process called for a recommendation to Executive Council (if everything was in order) saying grant approval in principle—subject to certain outstanding details being submitted subsequently. Once those outstanding requirements were submitted, the licence was automatically granted. If Government is saying that is not the case in this instance, then that has to be clarified. I honestly believe that this issue has gone so far and so deep that Government now needs to look at the situation and say that it is not only Executive Council that has the authority to approve applications for dredging in the future, but I would go as far as to say that those applications then should come to this House for ratification.

Mr. Roy Bodden Hear, hear!

Mr. John D. Jefferson, Jr: As a Member of this House who does not sit on Executive Council as a Minister, to be held responsible for actions that I do not necessarily agree with I think is totally wrong.

As a representative of the people I must be in a position to have some influence in what I believe is right from what is wrong as it affects my people in this country.

To my knowledge the last study that we have on the impact of dredging is the 1972 or 1976 Wickstead Report. That is a long time ago—20 years ago. One of the things we depend on in this country, which is so important to tourism, is our marine environment. As a result of our marine environment the Cayman Islands is one of the premier dive destinations in the world. We have to be very careful to ensure that that position is protected. I was concerned when they put in place the Marine Protection Laws, from the standpoint of the local fishermen. But that decision at the time was a very wise one, because we see the results of that legislation today.

The other thing which concerns me with regard to dredging (and I am not talking about this Government here, I am talking about Governments of the past) is there seemed to be a position where they granted approval for dredging and there was little or no follow up to ensure that the developer was doing what he was supposed to do with regard to the conditions under which that approval was granted with regard to collecting royalties that were due.

I am also very concerned from the standpoint that I do not believe that Government has the ability at hand to measure what is extracted. In other words, they are in a position where they have to depend on the honesty of the developer. If he says he dredged 100,000 cubic yards of marl, then that is what he pays.

Government has to have the ability to monitor these operations and ensure that they comply with the conditions under which that approval is granted. I remember when I was campaigning in 1988 to become a representative of the people, the SafeHaven project was a very controversial thing. I remember on a number of occasions going into that area to watch the effect of that dredging operation on the waters in that area. Depending on where the wind was coming from at the time, there were trails of silt extending for

hundreds and hundreds of yards into the North Sound—even though the dredging was done very close to shore.

The North Sound today has become a sanctuary for so much of the marine life that live in our waters. There are so many of our Caymanian people who depend on the North Sound for their livelihood, especially from my district of West Bay, that I do not believe any future dredging should be approved in this area before an extensive environmental impact study has been completed. My other concern is that there is a group of wealthy individuals coming into this country. I get the impression (from what I have heard about them) that they believe everything in this country is for sale...

Some Hon. Members: Hear, hear!

Mr. John D. Jefferson, Jr.: ...including our future. Some of them do not have any concern or interest whatsoever with regard to the results of any damage caused by any activity. Their only concern is the financial benefit they gain from that activity.

The Cayman Islands has always prided itself on being an environment of integrity, and I believe that we have to ensure that that environment continues in this country. I recall that when I was acting as Inspector of Banks for Government, there was a gentleman who came to see me one day with regard to a banking licence application. I asked him why he chose the Cayman Islands rather than going to the Bahamas or Panama or some of the other jurisdictions that offer these services. He told me that it was plain and simple: He could go to the Bahamas and get a banking licence, but it would cost him \$10,000. If he got a banking licence in the Cayman Islands, he knew it was based on merit. That is of the utmost importance—that the integrity of our jurisdiction is maintained. The other concern I have (and I am not saying that Government is stooping to this kind of thing) is that there are some Caymanians who for financial gain will also sell their birthright.

All I am saying is that we who are representatives of the people have to ensure (and let us put aside what the First Elected Member for Bodden Town keeps referring to as adversarial politics when it comes to issues that affect the welfare of our people) that the issue of dredging, especially in the North Sound, be addressed and addressed on a bipartisan basis.

I believe that the decision with regard to dredging should extend beyond the life of this particular Parliament, that is, the one that ends in November 1996. We have to put a policy in place and all future Governments will have to be guided by those policies and decisions. For us to just leave this on a per government basis puts us in a position where we take an unnecessary amount of risk. I believe that this is an issue that has to be addressed. I believe that the present Government was very wise in making a decision not to entertain any future applications with regard to dredging in the North Sound, but I think it has to extend beyond that. We have to develop an overall policy with regard to dredging anywhere in this country.

As I said before, I support the recommendation that we commission an extensive study of the feasibility of dredging in the future and the impact it may have on our marine environment. Based on what I have said, I honestly cannot support the idea of Government securing the marl then being in a position where they farm it out to whomever needs it. On the other hand I feel it is important for us to be in a position that whatever applications we grant in the future are properly monitored and based on sound findings as a result of a feasibility study.

With regard to construction and development we will have to look at that issue in a very serious light. We might have to look at alternative materials. But we cannot afford to sell the future birthright of our children for a couple of dollars at present.

Some Hon. Members: [Applause] Hear, hear!

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Thank you, Madam Speaker.

It appears to me that the dredging issue is being blown out of proportion, not only outside of this House, but inside the House. Listening to the last speaker, I would have thought that Government had either given approval for dredging in the North Sound, or was about to. I think it is absolutely essential for the public to realise that no approval has been given for dredging in the North Sound.

That is the situation. As I understand it, a proposal was made to Government and Government looked at that proposal. One important part of the proposal was that an impact study would be done and paid for by the developers before anything would be done. It would be decided after the results of the impact study whether or not permission would be given for the dredging. As far as I am concerned, that would have been a very good thing to have.

This Motion talks about having an impact study and a feasibility study done to find out what the effect would be on the ecology in the North Sound and the marine environment. To have the developers pay for that impact study would have been the sensible thing to do. At the end of that, if it was quite clear that it was not a sensible thing to dredge in the North Sound, then they would not have gotten the approval.

I think that we missed a golden opportunity to have an impact study done. I, for one, realise how important the North Sound is to the country, that it is a sanctuary and it is very environmentally sensitive and certainly politically sensitive both inside and outside of the Legislative Assembly. What I would like all and sundry to understand is that no approval has been given.

The Government cannot help if people make proposals to it. I do believe that if the matter had been handled a bit differently by the Government that perhaps a lot of the backlash would not have occurred. For instance, I feel that it is appropriate to say that if the Minister responsible had dealt with the issue, and if he had been the spokesman for the issue, perhaps that would have been the wise way to go. There were hiccoughs in how this whole thing was dealt with, but that does not say that the whole thing is wrong and that Government is to be blamed because a proposal was made to them.

A proposal has been made. No approval has been given and we have missed an opportunity to have an impact study paid for.

At some time in the future an impact study will have to be done irrespective of who pays for it. Grand Cayman is a very flat country, there is a lot of swamp and we have a shortage of marl. Things have to be done. I, like the late Mr. Haig Bodden, feel that eventually a decision will have to be made—human beings have got to come before birds and fish. I feel that the Government does not deserve the lashing it is getting about dredging. There was perhaps a problem in how it was handled—a little too much or too little was said and so on. But no approval has been given and it is now time to move on with this thing. I think we should leave the dredging issue behind because I think we are beating a dead horse.

[applause by some Hon. Members]

The Speaker: If no one else wishes to speak, would the Mover like to exercise his right of reply?

Mr. Gilbert A. McLean: Thank you, Madam Speaker.

If there is one thing we must not do, it is put dredging behind us. We need to keep it very much in focus before us. Because the matter is of such vital importance to this country, those of us who believe that country is important, and it takes precedence over commercial ventures, we must stay focused on this question of dredging.

If one needs anything to show that approval for dredging has been given (let us forget for one moment the six million cubic yards) I would just like to read from page 20 of the Governor's Throne Speech where it says; **"Executive Council has decided that there shall be no further dredging in the North Sound, except for an approval granted to Caymarl Ltd. to excavate the balance of material (784,100 cubic yards) that remained under a licence granted in 1988 for the dredging of 2 million yards of material from the burrow pit offshore the marl pit..."**

Hon. W. McKeeva Bush: By the last Government.

Mr. Gilbert A. McLean: "...just north of George Town Barcadere..."

Approval has been granted for 784,100 cubic yards. That interprets into money \$7,841,000 at \$10 per cubic yard. The Governor also goes on to say; **"In addition, to further the final upgrading of the George Town Barcadere the Government will also consider an application from Simmons Enterprises for the excavation of 122,200 cubic yards which will complete the dredging of the basin at this location, to facilitate an increased amount of vessel traffic and usage."**

That is the latest word we have on dredging by the Governor in his Throne Speech. So there are approvals in place. Caymarl stands to make \$7,841,000. Taking the standard amount charged by Government, \$.50 per cubic yard, the Government will only get \$392,050 out of it. Simmons Enterprises will stand to get \$1,222,000 and Government will only get \$41,100.

So, there is a serious problem with regard to dredging in this country. I believe in stating that which I know to be so and that which I believe. I want to say this afternoon that I absolutely admire what the Third Elected Member had to say in his brief contribution to this debate on dredging. I believe it was absolutely factual. I do not believe that anyone can effectively argue what he has said. While I feel sure he will vote with the Government in the final analysis, I admire the fact that he realises his role in this House is one where he can speak his mind which he can factually prove.

After all, he is the Chairman of the PAC whose findings clearly state in the very first recommendation (and he is not by himself here there are five other people on that PAC who made the same recommendation which he enforced here this afternoon).

I would like to make that point where he is concerned on his contribution on this matter. About this dredging being political—it sure is! I have been surprised about the amount of concern expressed by the public on this matter of dredging. Obviously, school children are sufficiently aware and know what is happening. We have heard some of their essays and so on. Certainly, there are different socie-

ties here expressing concern about it and, overall, I am truly heartened to see that there is one issue affecting this country that people on a whole in this community are seriously concerned about. If the general public can be concerned, certainly those who the public have elected to represent them should surely be concerned.

Added to the latest amounts which the Governor spoke about in his Throne Speech, we also know that approval has been given to dredge six million cubic yards. That is contained in the 11th September, 1995, letter where it says, and I quote: **"I am directed by His Excellency the Governor to advise that approval in principle has been granted in respect to your North Sound proposal dated 12th July, 1995, which would serve to link all canal developments between Batabano and Omega Bay as well as the Main Channel."**

That is the concern of the people of this country.

Every one, including non-scientists and simple fishermen, worry that a 600 foot wide channel cut from the main channel will constantly cause the silt in the North Sound to boil up because it cannot settle and that it will make the situation there 100 percent worse than it is now. Without any dredging now, when a northwester or some strong wind blows, the whole North Sound turns into milk. It is not turning that colour because of the red dye that comes from the roots of the mangroves; it is turning that way from the silt that cannot and will not ever settle in the North Sound.

So there is need to be concerned—seriously concerned. Some Members of the Government have talked about handling the situation in a better way. I agree. First of all there needs to be honesty. That is fundamental and basic, but it eludes the present Government seriously. There needs to be in place an attitude by Government to tell the people the truth. There needs to be a consciousness that the people have the right to be told the truth. There needs to be a clear understanding that those persons who now posture to be all things unto all people are only directors for four years appointed by the people to do the people's business; that the shareholders meeting is called every four years to appoint new directors, therefore they are not given unlimited power to do as they chose and see fit to do.

These things are absent in this Government. When I was speaking, the Minister for Education jumped up to interrupt me, saying that the Planning Authority had nothing to do with approvals for dredging. I did not accept what he was saying because I knew better. I wish to quote what the Minister for Education said; **"The Honourable Member is misleading the House, he knows that under the Constitution, dredging is dealt with only by the Executive Council not by the Central Planning Authority. That is a fact. He is misleading the House by saying that the Central Planning Authority deals with dredging. That is an impossibility."** (Hansard 23rd February, 1996)

It is not an impossibility, it is incomprehensible that he does not know it—yet he is responsible for it. He had to get up here today and sing a different song, that when it deals with land usage and water usage that Planning comes into it. He had to change that tune completely.

I want to know if there is dredging going on anywhere and, if marl is being dredged out of the sound, where is it put? in the sky? Or is it put on land? Is it put in at Canal Point where he might think no special approval is given? If it

is put on land who decides what is done on land if it is not the Planning Authority?

That might have changed too. I would not swear on that part of it. But Planning is involved in it. It has to be, and it would be fascinating to know where six million cubic yards of marl would be put in this island. We have not heard that. Someone just wants the right to dredge it and Government says, 'Sure, you can dredge it.' But where will they put it? Whose land will it fill? Which friends and cronies would benefit? The whole exercise of misleading the public and not telling the truth and informing the public runs real deep. In the 12th of January 1996 *Caymanian Compass*, the people of Cayman Watersports Association had met with Minister of Sports and Culture, the Hon. McKeever Bush, along with Tourism Minister, Hon. Thomas Jefferson. " **...20 members of the Cayman National Watersports Operators Association... met in an effort to dispel a number of marl road rumours [forgive the pun on the marl] that have circulated recently about dredging applications for the North Sound.**"

Several of these members said: "They were a bit surprised when the Ministers said they were unaware of a dredging application that has apparently been approved 'in principle' by Government."

One must weigh whether those Ministers knew or not. If they did not, then this country is in more trouble than we think. If something so big could have happened and they did not know; if they did not read their papers, if they were excluded from getting those papers, or if they forgot—this country is in more trouble than we think. They did not know that approval had been given for six million cubic yards which would equal (according to the paper) "...a channel 6.82 miles long by 300 feet wide by 15 feet deep." They did not know that approval had been given to extract that kind of marl from the North Sound.

(Mr. Roy Bodden: laughter)

Mr. Gilbert A. McLean: I quote again from this where it says; "**...the public has the right to come to the Ministry and inspect the plans,' Mr. Bush said. He said he had checked with the Ministry of Works earlier and "no such (formal) application has come to the government. He admitted, however, that he had not seen the letter granting approval in principle and was unaware of the approval.**"

Again I say that it is like the time of the former President of the United States and Watergate, when the buzz-word was that he was wrong if he knew what happened at Watergate and did not do what he was supposed to have done, and he was wrong if he did not know that such had happened.

This paper also says; "**Mr. Bush pointed out to the members that the letter in question 'did not come from ExCo,' but the Permanent Secretary for the Ministry of Communications and Works.**"

Let me pause right there for a moment, Madam Speaker. Obviously, the elected Government does not want to take any responsibility for this approval; it had not come from ExCo, it came from the Permanent Secretary so the poor Permanent Secretary is getting it in the back of the head.

I would now like to quote what this particular Permanent Secretary's Minister said from the transcript of the 23rd February (last Friday). He obviously missed the point when I said that no Permanent Secretary in his right mind would ever write such a letter to anyone in the public saying they had approval to dredge if he had not received that from an unquestionable authority. This is what the Minister for dredging says: "**I know that those who constantly talk about this matter are sensible people. No doubt they understand what approval in principle means. But it is constantly twisted to make it sound as if the Government has taken no steps to deal with dredging in the North Sound properly, it is made to look as if we allowed them to go there and take six million cubic yards of material. I even heard the last speaker say that no Principal Secretary in his right mind (I think he said) would go ahead and sign a letter on his own: yet, he turned around and read the same letter which began by saying; 'I am directed by His Excellency the Governor to advise that approval in principle has been granted.'**"

Obviously, here the Minister has absolutely missed the point; totally and utterly missed the point because the point that I made which he did not understand was that the Principal Secretary (or the Permanent Secretary which he in fact is) wrote that letter only because there was approval in Executive Council and he could therefore proceed to write the person on behalf of the Governor—having been directed by the Governor.

On the one hand one Minister is saying that it was the Permanent Secretary who wrote the letter and they did not have anything to do with it, and, on the other hand, the Minister for Education was getting up telling me to remember one thing—that approval only comes from the Executive Council. That is the state of affairs in this country at this time. Five separate Governments when there should be five Ministers operating one Government. That is only one instance of glaring contradiction; contradiction which did not happen by accident, it was deliberate, because they called a public meeting to make these announcements, so it could not happen by accident.

If they did not know, they should have surely said, 'I am saying this, but I do not know what the real situation is', as they do so often when they answer questions in this House. They are the Ministers responsible for something and when we ask a question we hear, 'I am made to understand...'

Of course they are made to understand, but they do not have to make themselves understand when they are standing here in the Legislature, they are supposed to be able to speak from a point of fact from what they have been made to understand long before this. The newspaper also states in this article; "**One CNWOA member questioned that even though the letter is only approval in principle and not formal approval, 'How is it possible for this letter to out without Executive Council knowing about it?'**"

That is one of the things that this whole country is asking about and this is one of the instances when it is clear to everyone in this country that there was some deliberate attempt by Government to mislead the country into believing what has now become a known fact to all—the six million cubic yard dredging and on top of that the new dredging approvals in the North Sound to bring to the dredgers \$7 million and \$1.2 million respectively.

I wish to refer to some points raised by the Minister for Planning. There are a number of points that I think I need to reply to, but there is one that is absolutely alarming. I would like to speak to that first. If he is reading from a prayer book, this Minister (and I mean this most solemnly, seriously and in no way blasphemously) gets into this thing of Communists and Socialists. I wonder if that is a lingering pressing condition of his mind, or, as my good friend the First Elected Member for Bodden Town talks about the psychology of denial, where he is constantly denying this thing because it is so much a part of him that it has fused his mind. But he made one statement today which I think he ought to clarify for the House and the country at large, because maybe he has gone totally over to the other side—normally we look for equilibrium, but who knows. **"I would not want to get into the business of Government selling marl. I think the days when the Communists ran all of the business in the country (the Socialists)... this is the way that they did things."**

I was utterly astounded because this Minister is making an ultimate statement. I never knew that in the history of the Cayman Islands the Communists ran this country. If that is the case, I say he has a mission to go to the Governor this evening and tell him what he knows about Communists running the country.

He has a right to go to the Commissioner of Police to tell him what he knows about Communists running the country. Call on him to explain what such a radical (as he likes to talk about) Socialistic, Communistic statement is about.

He went on to fortify what he was saying about it in that he also said; **"In this instance, for example, they would dredge up marl, not let anyone else sell it, and sell it to the private sector. Well, this is a democratic Government and I believe that the less Government interferes in the private side... in fact, the more the private sector can do, the better off the people of this country will be."**

So he went on to fortify the statement that Communists have been running this country. I do not know who they are, but I will certainly say one thing: I know one person in this country who (in my opinion) could be the best Communist there ever was. With all the qualities of dictatorship, spitefulness, vindictiveness, wickedness—everything mixed up in one.

Mr. Roy Bodden True, true! Tell it, speak the truth!

Mr. Gilbert A. McLean: I know one.

The Minister for Education went to some length to say that the Fourth Elected Member for George Town failed to read certain sections from the Wickstead Report where it said that it was a possibility to dredge from the North Sound 12 million cubic meters of marl. While the Auditor General is says he has only found where 4-odd million has been taken, I daresay that is because of the fact that there had never, ever been an accurate measurement of the fill that has come out of the North Sound.

It could well be way over the amount of 12 million cubic meters of marl. That is why the Motion requests a scientific study, not just for a six million cubic yard project, but for the North Sound as a whole. As the Third Elected Member for West Bay said, we would know.

The simple matter of knowing. We would know what the national position is scientifically. We could therefore make national policy based on fact. It would become easy for anyone administering the matter of dredging henceforth and forevermore if there is to be more dredging in the North Sound. Certainly, I believe the Wickstead Report (and I have not had the opportunity to study it like the Fourth Elected Member for George Town has) gave serious warnings as to damage that would occur and which has occurred in the North Sound.

He gave warnings about dredging. I doubt very seriously, unless someone with a special knack at twisting what is said would find that the report said dredging is a good thing and that we should go ahead with all haste and dredge out that North Sound—dredge out 12 million cubic meters. In fact, I note that on the last comment of the Auditor General on this matter, on page 38, he says; **"The Wickstead Report (1975) recommended that dredging should be followed by periods of recovery. The PCU and CWAC have consistently advocated minimum dredging periods in order to reduce environmental damage. I note that an early 1983 project was scheduled over five years and project B1 continued for approximately four years."**

Project b(1) is North Sound marl pit. So the Wickstead Report did not fortify the position of dredging. In fact, it warned us about dangers of dredging. That was 20 years ago, as noted by various speakers. Twenty years, Madam Speaker, two decades. Anyone born in 1975 is past the age of responsibility by two years. We do not know what the situation since that is when at least a dozen more places have been filled in, mangrove swamp lost and major dredging in the North Sound.

The Speaker: Honourable Member, do you expect to finish shortly?

Mr. Gilbert A. McLean: No, Madam Speaker. There are a lot of things that I need to reply to and I have considerable notes prepared.

APOLOGIES

The Speaker: Before I ask for the adjournment, I would like to say that an apology has been received from the Honourable Minister responsible for Agriculture, Environment, Communications and Works for his absence this evening, and the Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture asked to be excused shortly after 3.00 to attend a funeral. May I ask for the Motion for the adjournment?

The Honourable Minister responsible for Education and Planning.

ADJOURNMENT

Hon. Truman M. Bodden: Madam Speaker, I move the adjournment of this Honourable House until 10.00 AM, Wednesday, 28th February, 1996.

The Speaker: The question is that this Honourable House do now adjourn until Wednesday morning at 10 o'clock. I shall put the question. Those in favour please say Aye... Those against No.

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until Wednesday morning at 10 o'clock.

**AT 4.30 PM THE HOUSE STOOD ADJOURNED UNTIL
10.00 AM WEDNESDAY, 28TH FEBRUARY, 1996.**

**EDITED
WEDNESDAY
28TH FEBRUARY, 1996
10.17 AM**

The Speaker: I will ask the First Elected Member for Bodden Town to say prayers.

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 II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated. Proceedings are resumed.

Questions to Honourable Members and Ministers. Question No. 26, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTIONS TO HONOURABLE MEMBERS/MINISTERS

QUESTION NO.26 ⁽²⁾

No. 26(2): Mr. Gilbert A. McLean asked the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation what is the present status of the proposed George Town Hospital.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Thank you, Madam Speaker. The first work undertaken on the site of the new hospital was the installation of a waste water treatment plant to replace the

existing inadequate one. This plant has been functioning since last year.

The first major new building on the site, the materials management building, is nearing completion and will be turned over to the Health Services Department at the end of March. Tenders have been received for the main construction contract and these are presently being evaluated. It is expected that the contract will be awarded on Friday, 15th March, 1996, with construction beginning shortly after.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Would the Honourable Minister elaborate on the materials management building, which I assume is the large building to the south end of the present hospital compound? Just what is that size of a building to be used for?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Thank you, Madam Speaker.

As the House probably knows, we have been paying something in the order of \$60,000 in rent over the years. This building will be used for storing all of the medicines and other supplies needed for the hospital.

It has also been designed with the serious catastrophic happenings in mind, so that we would also have space for casualties. This is one of the main reasons.

The plan was designed to take into consideration the development of the health services over the next 10 to 15 years.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: In the substantive answer the Honourable Minister has said that tenders have been received for the main construction contract and that these are presently being evaluated. Does this mean that they have been received by the Public Tenders Committee, or is it the case that the Government Executive Council... who is evaluating the tenders?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: It is now with Central Tenders Committee who does the evaluations.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: In the answer to the question the Honourable Minister has said that the tenders received for

the main construction contract are presently being evaluated. I think it is estimated that the completion cost for the new contract will be in the region of \$22 million. For the Budget this year, I think we have just under \$10 million. My questions are: With the main contract being awarded is it only to the tune of \$10 million? Is it going to take place over a longer period, and where is the rest of the funding coming from?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: The building will be phased over a period of two to three years. Funding will be provided as we go along which, as has been put forward, will be by loans and recurrent revenue.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Honourable Minister say that the main contract, when awarded, will be in line with that three year period, or will it be different contracts awarded over that period of time?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: It will be one contract in order to save money.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Could the Honourable Minister say if it has been circulated to the various tenders that their bids must be limited to \$22 million or is it an open-ended contract that they can bid any amount they choose?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: An estimate has been done by the quantity surveyors and this would have been shared in the tendering stage with the contractors and they will put forward realistic costs at this stage.

The Speaker: The next question is No. 27, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO.27

No. 27: Mr. Gilbert A. McLean asked the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation what is the latest data on the number of HIV cases in the Cayman Islands and what is the current Government programme for dealing with this disease, including public education.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Thank you, Madam Speaker. To date, the total of known HIV positives is 37. Of these 37, 16 have died after developing full-blown AIDS. Of the remaining 21, three are AIDS cases and 18 have no symptoms despite being HIV positive.

For dealing with the disease, Government's programme is aimed at the prevention of local transmission of the disease and the reduction of the otherwise serious personal and social impact that HIV infection has in the Cayman Islands.

It is well known that transmission of the virus occurs through sexual activity, from contact with contaminated blood or from a mother to her newborn child. In the Cayman Islands, the AIDS prevention and control programme adopts as the basis of its approach, four strategies commonly used internationally. They are as follows:

(1) The prevention of sexual transmission of the virus is targeted through promotion of safer sexual behaviour and the provision of early diagnosis and treatment of sexually transmitted diseases. A public health nurse has been designated as coordinator for sexually transmitted diseases and she, along with the Health Promotion Officer and other health care workers organise workshops, seminars in the workplace and public information campaigns for the general public, including school children. These are intensified during the annual Sexually Transmitted Diseases Awareness Week which is held to coincide with World AIDS Day.

(2) The second strategy is the prevention of transmission through blood. In order to achieve this, the following measures are in place:

- all blood donors are screened for HIV;
- all blood units are tested prior to transfusion;
- disposable syringes and needles are used for all injections;
- all surgical procedures are conducted under sterile conditions;
- medical waste is disposed of through incineration.

Fortunately, intravenous drug use and the sharing of needles, which is a major cause of AIDS in other countries, is not at present a problem in the Cayman Islands.

(3) The third strategy involves efforts to prevent the transmission of the virus from the mother to her child. To achieve this all pregnant women attending antenatal clinics are screened for HIV infection and if this is found to be present, counselling is provided to inform the patient of treatment presently available which can substantially reduce the risk of transmission to the baby. In addition, counselling about family planning and actual family planning services are offered to people who are HIV positive.

(4) The fourth strategy addresses the need to reduce the personal and social impact that HIV has on both individuals and the country at large. This involves aspects of prevention of the spread of infection as well as management of those who have become infected. In addition to measures already mentioned, Government offers the following services:

- Free health care is provided to all HIV infected Caymanians.
- Appropriate drugs are stocked and made available through the Hospital pharmacy.
- Blood tests to monitor the HIV client's defense mechanisms are offered twice a year.

- Home health care is provided by the STD coordinator for patients who need it. This is provided in consultation with the Internist and the Medical Officer of Health.
- Counselling is offered to families of HIV patients by the STD coordinator in association with other healthcare providers such as physicians.
- Medical officers and nurses and other health care providers are trained in the management of HIV patients through workshops held locally and through attachments at overseas hospitals and clinics.
- The Social Services Department offers assistance to needy cases.
- Screening for sexually transmitted diseases including HIV is offered free during the annual STD Awareness Week.

As can be seen, Government provides a range of services designed both to prevent the spread of HIV infection and to assist those who are infected. It is intended that the provision of these services will continue and will be enhanced if, or when, the need arises.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Can the Honourable Minister say what sanctions exist so as to prevent persons who have been tested HIV positive from continuing to engage in promiscuous or destructive behaviour?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: I must say this would only happen in a police state. It would have to come from interest and one's feeling for his fellow human being. To the best of my knowledge there is nothing in place enforced by law to stop this.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

May I request that the Honourable Minister give some consideration to this as many Members may be aware that recently there was a case where the Immigration Department sent someone off the island (even though the Court had the person for trial) because the person continued to engage in promiscuous and dangerous behaviour to other persons.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Madam Speaker, in this instance, as this was a foreigner who would be encouraged to return to his homeland, this is one way that it can be controlled. But for Caymanians, I do not know what imposition we could put besides sending them to jail. Would the public accept that?

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Honourable Minister say if there has been any policy directive given to the Immigration Department with regard to testing for AIDS for people coming into the islands?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Not to the best of my knowledge. I would have to defer that to the Chief Secretary.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: I would like to ask the Honourable Minister, notwithstanding under whose responsibility it may fall, but I think it is very important that the issue be addressed. I think it would probably have to involve the Ministry in tandem with the Honourable First Official Member's office. I think it is very important that something be made with regard to rules and regulations on it.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: I will bear that in mind.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L Thompson Murphy: Thank you, Madam Speaker.

In his answer, the Minister mentioned 'public information campaigns for the general public, including school children. Could the Honourable Minister tell us what age school children that would involve?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Thank you, Madam Speaker.

It is designed for the Health Education for schools and youth groups in the primary schools. It would be year 6 John Gray High School; year 10 and 11, George Hicks High School, the senior year (year 9), and other seminars which were held on the 9th and 10th of September. For the teacher training there were over 250 in attendance. We have also done awareness in the workplace for Cayman Airways, Caribbean Utilities Company and other places.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Thank you, Madam Speaker.

Earlier the Minister made a reference in reply to a question regarding penalties for persons who live promiscuously knowing that they can transmit HIV. There have been a number of cases in the United States where these persons have been prosecuted for murder because they have knowingly subjected persons to this. Is the Government considering any such penalties by legislation in this particular regard?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: I do know that this area has been addressed in our Health Strategic Plan. As for the criminal side, this is something that we can address when we review the Penal Code.

The Speaker: The next question is No. 28, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 28

No. 28: Mr. Gilbert A. McLean asked the Honourable First Official Member responsible for Internal and External Affairs if the 5 per cent Custom concession fee allowed in the past for Cayman Brac and Little Cayman in prescribed circumstances is still in force.

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. James M. Ryan: Thank you, Madam Speaker. The answer: Yes, the 5 per cent custom's duty concession allowed in the past for Cayman Brac and Little Cayman in prescribed circumstances is still in force.

SUPPLEMENTARIES

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker. Would the Honourable Member expand on what the prescribed circumstances are?

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. James M. Ryan: Thank you, Madam Speaker.

In respect to Customs import duty for Cayman Brac, there are three categories in place. One is foreign retirees subject to the receipt of an affidavit in a form prepared by the legal draftsman, attesting to his/her retiree status. Let me explain a bit further: The import duty is reduced from 20% to 5% in these cases. The second case is for Caymanians living abroad and wishing to return and resettle. Finally, condominium developers.

Those three categories are in respect to Cayman Brac. So, persons falling into those groups would apply and be eligible for the 5% duty concession.

In the case of Little Cayman, only Caymanians living abroad wishing to resettle applies.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Does this concession only apply to construction materials for houses, or is there a spill over into other areas?

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. James M. Ryan: Thank you, Madam Speaker.

I do not have the original decision before me. It was put in place in the mid 80s. As I recall, at that time it applied not only to construction materials but to certain appliances and furniture as well. I would not like to commit myself and say that in all three categories it still applies, because I have not been dealing with it for the past three or four years. It is a matter that falls under (as the Member will know) Customs which is the responsibility of the Financial Secretary.

The Speaker: The First Elected Member for Cayman Brac and Little Cayman.

Capt. Mabry S. Kirkconnell: Thank you, Madam Speaker. I wonder if the Honourable Member could elaborate on a situation which exists: In the 60s, many persons from Cayman Brac migrated to Grand Cayman because of the economically depressed situation in Cayman Brac. There are some of those who now want to return to the Brac. Would they be allowed any duty concession?

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. James M. Ryan: Thank you, Madam Speaker.

No, these would not apply if the wording used originally is strictly applied. It says: 'Caymanians living abroad wishing to resettle.' Of course, the Member will know that persons living in Grand Cayman are not really considered living abroad. However, that is a matter that perhaps warrants consideration. If cases are put forward I suppose they can be considered.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Could the Member say if Government (in the light of the seriously depressed economic conditions in the Brac at this time) intends to look at the possibility of allowing Cayman Brac residents to have those concessions for building materials where they might be attempting to build a house, which would be a great relief to them considering the wages and so on; and whether any thought is being given to reviewing those particular guidelines to widen them to help with the situation on the Brac?

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. James M. Ryan: As the Member will know, there are a number of initiatives and suggestions being considered for revitalising the economy in Cayman Brac. I daresay that the suggestion he has put forward in his question could be an area for consideration. At the moment it has not actually been considered.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Could the Member say if over the years since this concession was introduced it has proven to be a worthwhile incentive by way of the number of homes being built by those who fall into the category increasing?

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. James M. Ryan: Thank you, Madam Speaker.

That is a difficult one to answer. I would say, having been involved in the administration of it for the first few years, yes, it was beneficial to Cayman Brac. A number of applications were approved and it generated reasonable amount of employment. I do not have up-to-date figures on what it has been for the past couple of years.

The Speaker: The next question is No. 29, standing in the name of Fourth Elected Member for George Town.

QUESTION NO. 29

No. 29: Mr. D. Kurt Tibbetts asked the Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture to give an update on the low-cost housing proposals being examined.

The Speaker: The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: Thank you, Madam Speaker. As soon as the Ministry has completed its discussions on low-cost housing to the point of publication, information will be forwarded to the Members.

The Speaker: The next question is No. 30, standing in the name of Fourth Elected Member for George Town.

QUESTION NO. 30

No. 30: Mr. D. Kurt Tibbetts asked The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture to provide, based on the eligibility guidelines set for the award of assistance to ex-servicemen, a list of eligible persons as at 5th February, 1996, giving the total number of persons qualifying under each category.

The Speaker: The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: Thank you, Madam Speaker. The number of veterans by category is not available presently and will be forwarded in writing as soon as possible.

The Speaker: The next question is No. 31, standing in the name of Fourth Elected Member for George Town.

QUESTION NO. 31

No. 31: Mr. D. Kurt Tibbetts asked the Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture based on the available figures to date, what is the estimated annual cost for assistance to ex-servicemen.

The Speaker: The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: Madam Speaker. The estimated annual cost is \$1,166,000.

SUPPLEMENTARIES

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: For purposes of clarity, would the Honourable Minister say if this is based on the recently quoted figure of 450 people times \$200 per month for 12 months?

The Speaker: The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: It is more like 500 people at \$200 per month.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Honourable Minister state whether (while the question is based on anticipation he might venture an answer) it is anticipated by way of the number of applications still being dealt with whether this figure will increase?

The Speaker: The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: We hope not.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Honourable Minister be able to say if there are other applications being processed at this time and if there are, does he have any idea how many there are?

The Speaker: The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: There is something like 25 applications being processed at present.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Honourable Minister say if there has been a cutoff date decided?

The Speaker: The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: We have decided on a cutoff date, but it needs further deliberation and I would not want to name a date presently.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Again, for clarification, I take it that while the Minister does not have a firm date, he is saying that a date will be decided upon?

The Speaker: The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: That is correct.

The Speaker: That ends Question Time for today.

Other Business. Private Members' Motions. Private Member's Motion No. 2/96, Dredging in the North Sound. The Second Elected Member for Cayman Brac and Little Cayman, concluding his winding up.

OTHER BUSINESS

PRIVATE MEMBERS' MOTIONS

PRIVATE MEMBER'S MOTION NO. 2/96

DREDGING IN THE NORTH SOUND

(Debate continues thereon)

Mr. Gilbert A. McLean: When the House adjourned on Monday afternoon, I had been making certain observations regarding things that were said by the Government in regard to making excuses for dredging permission which it granted, and the Government's attempt to let it appear that the two newest dredging approvals were simply there waiting to happen.

The Minister for Education and Planning had spoken about the Wickstead Report and one would have gotten the impression that the Wickstead Report was encouraging the Government to dredge 12 million cubic yards rather than give warnings (as is its general theme) to the damages caused by the dredging.

That Minister also said that in speaking about Florida, that turbidity is controlled by having clearly marked channels in Florida. I do not know that to be the case. I tend to have my doubts as I did when he attempted to have me and the House believe that the Planning Department has nothing to do with dredging in the Cayman Islands. We know it does. When he went and took the time to inform himself, he was no doubt told that the Planning Department must give its approval to where marl is placed in these islands when dredged from the Sound.

Hon. Truman M. Boddin: Madam Speaker, on a point of order.

The Speaker: May I hear the point of order, Honourable Minister?

POINT OF ORDER
(Misleading the House)

Hon. Truman M. Boddin: The Honourable Member is misleading the House. He says that I have gone and taken instructions from Planning. I would like him to produce the evidence of this because my statement was clear; the decision for dredging in water comes solely from the Executive Council.

If he has evidence that I have been down to the Planning Authority and asked for advice on this, let him produce it or withdraw it, please.

The Speaker: Second Elected Member for Cayman Brac and Little Cayman, can you substantiate your statement?

Mr. Gilbert A. McLean: Madam Speaker, if the Minister did not go to the Planning Department to find out, he should have. I know that he called persons from the Planning Department to him to try to disprove my position that Planning was involved. I state that it is my belief that this occurred.

The Speaker: I am asking you if you have any evidence: you said "it is a *belief* of yours"?

Mr. Gilbert A. McLean: I have no video of the Honourable Minister going to the Planning Department to find out from the Director of Planning.

The Speaker: Please be careful in making statements. One must be mature about this whole thing. If Members make statements that they cannot prove that would be unacceptable. Please refrain from such statements in the future.

Mr. Gilbert A. McLean: What I know and have proof of is that the Minister interrupted me in my debate where I was presenting the Motion (I have the benefit of the transcript), just like he did awhile ago saying that I was misleading the House, when he said; "**The Honourable Member is misleading the House, he knows that under the Constitution dredging is dealt with only by the Executive Council, not by the Central Planning Authority. That is a fact. He is misleading the House by saying that the Central Planning Authority deals with dredging. That is an impossibility.**" [23rd February, 1996] Those are his direct words, Madam Speaker, from the *Hansard*.

That is proof that the Minister was either trying to mislead me, the House or whomever. But—

POINT OF ORDER
(Misleading the House)

Hon. Truman M. Boddin: Madam Speaker, I must object at this stage, again. The honourable Member is now for the second time misleading this House. What I made clear in my debate was that the seabed and dredging, under the Constitution, is with Executive Council. Only the land areas relate to the Central Planning Authority. I made that clear throughout my debate.

The difference between the jurisdiction of the land and the seabed.... and that statement is correct. The seabed and the dredging and the sea is solely the responsibility of Executive Council. I wish he would come off trying to mislead in these areas.

The Speaker: I have become a bit confused by the Second Elected Member's continuation of that part of the argument because I think the Honourable Minister did clearly state... and I see no area where he had been misleading when he made the presentation in regard to who gives the authority for certain areas. I think that is clear.

I will ask the Second Elected Member once more if he would continue his debate without bringing in any further statements of what was said by other Members.

Mr. Gilbert A. McLean: Madam Speaker, I was quoting what the Member said from the *Hansard*. It is what he has said on the matter of the Planning Authority.

SPEAKER'S DECISION RE: UNEDITED HANSARD TRANSCRIPTS

The Speaker: Before the Second Elected Member for Cayman Brac and Little Cayman continues his debate, I have reached the stage where I am going to make a decision shortly that there will be no quotations or unedited *Hansard* transcripts available to Members without prior editing. This is not done in other territories and I think that this takes up entirely too much time and the ladies in Hansard cannot get on with the proper transcription.

I will eventually be sending a note to all Members and this will apply to every Member of this House that in future there will be no requests for transcripts unless authority is given by the Speaker and the Speaker has had an opportunity to edit the transcript after it has been edited by the Senior Editor in this department.

Transcripts will be allowed to be presented for the balance of this Meeting because I appreciate that Members have become accustomed to it. But there will be a cutoff date which will be at the end of this Meeting.

The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: I am sure that the Members of the House welcome the prior knowledge of this. It will surely mean a big turn around in what has become a practice and convention and it might pose some difficulty in checking the accuracy of matters or statements made. However, I shall continue with my reply on the Motion.

Still referring to statements made regarding the Minister for Planning, he made the point that when dredging is to be carried out, there is a need for a coastal works application. I understand this has been standard procedure from who knows when. Also, that applications must go to Executive Council, and then an environmental impact assessment is carried out by the Environmental Unit.

I see a certain weakness in this for in instances where Executive Council decides to give approval for applications to dredge, be they in principle or otherwise, there seems to be nothing in correspondence to would-be dredgers that if the environmental impact assessment showed that it would be damaging and that it should not be done, that indeed it would not be done; that Government would not give approval. Certainly, the Auditor General has pointed out that even in cases where the Environmental Unit had made recommendations, both in terms of the amount to be charged as royalties, or about damages, it has not been followed in terms of approvals of Executive Council.

There was no surprise when I read the second paragraph of the letter written to the person who received the six million cubic yard approval. For, indeed, I read all of it with no attempt to leave out any (as is sometimes done in this House when making a point). I note where the letter says there has to be an environmental impact assessment. Again, there is nothing in there saying that if that assessment is done and it was found to be damaging, that approval would not be given.

Indeed, if the person should go ahead and spend large sums of money to do this assessment that he is paying for, how then does Government say, '*Based on the Environmental Impact Assessment that you have paid for, which says this should not be done, we are not going to give you approval to dredge*'? It does not make sense.

Undoubtedly, it must become a situation where legal action could be taken against the Government. That is why there is a need for an Environmental Impact study being done now, so that this Government and future Governments may know what is the policy position.

In this regard, one needs to seriously look at the findings and recommendations of the Public Accounts Committee which is the watchdog committee of this House that oversees Government's expenditure and makes a determination as to whether there has been value for money.

On page 9, the very first recommendation made by that Committee reads: The Committee recommends the following: "**(a) There should be a thorough independent review of all aspects of marl dredging.**" An independent review. The only way that one can have an independent review is a review which is commissioned by Government and not by someone seeking to dredge the North Sound.

That Committee in its report which was brought to this Legislative Assembly in December, also said: "**(b) There is need for comprehensive legislation to regulate dredging activities. This legislation should be developed following the independent review suggested above and should incorporate dredging guidelines. (c) The existing Marine Conservation Laws should be extended to encompass dredging. The Department of Environment should be given statutory backing for its role of protecting the marine environment.**" This would seem to imply that the scientific findings of the Department of Environment would have a greater role to play and, indeed, would seem to guide the decisions of Executive Council, rather than Executive guiding the decisions of everything.

Another very crucial recommendation, and the last one: "**(d) The costs of environmental monitoring should be passed on to licensees.**" So, if dredging is granted, the cost of the unit would be paid by the licensee. Most surely that would have to be substantial if conditions were changed to where anyone who dredges the North Sound can do so and choose to tell Government what they say have been the amounts taken out.

That recommendation should not be laid at the foot of the Third Elected Member for West Bay who also referred to this in his debate on Monday; for there are four people who form the Public Accounts Committee of this Legislative Assembly. At the end of the report that I am looking at now, the names of those persons are: "Mr. John D. Jefferson, Jr; Mr. D. Dalmain Ebanks; Mrs. Bema L Thompson Murphy; Mrs. Edna M. Moyle."

It will be very fascinating to see how these Members of the Legislative Assembly will vote on this Motion

when the time comes with those recommendations made - not only for the Legislative Assembly, but for the country at large.

The Minister for Planning, as some of his other colleagues (including those who arrived minutes before the Legislative Assembly was about to adjourn), put great stock in their accusations that the vast amount of licences were granted by Ezzard Miller and Linford Pierson. Supposedly, by my criticising these licensees, I was swiping at these people.

These are inaccuracies that I think need to be addressed. Indeed, it would be remiss of me if I did not try to truthfully rebut that statement which was played over and over again. In the table in the Auditor General's report, five different operations are shown which the Auditor General looked into in depth. In this table, it shows that in November 1992 Crystal harbour was granted a licence to dredge and that the outstanding royalties—monies owed to Government—from this operation is \$244,499.

I would not swear as to what date in November of 1992, whether that would have fallen within the period of the last Government or within the time of this one. I would tend to believe the latter, seeing what happened since 1992 with land exchanges and purchasing of land for more money than it was worth and all the rest of it.

One thing is certain; it was not the last Government in Executive Council in September of 1993. It shows that the Shores received approval in September 1993. The Shores got an amendment to that approval in June 1994. It got another amendment in July 1994, and it got a further amendment which was not even prepared by the Government - they simply just went ahead and did it. That shows an outstanding amount owed to Government of \$100,000. That is what is in that table.

I think it would do us all well if I just quoted precisely from the paragraph relating to that particular instance so that all may know that what has been said about the *last* Government giving these licences, and because the *last* Government gave the licences these are supposed to continue on. Certainly, the *last* Government left in place a legal and binding contract regarding the building of the Dr. Hortor Memorial Hospital and this Government sure put an end to that. It left in place an education plan and this Government sure put an end to that. The last Government left a 10 year Tourism Plan in place which, as far as I am concerned, is the most fundamental wide-sweeping study that I have ever seen, inclusive with implementation plan. This Government sure put an end to that.

The last Government left in place a health insurance plan which should have gone on in Select Committee. This Government sure put an end to that. It left in place a pension plan and this Government did away with that—

Hon. Truman M. Bodden: Madam Speaker, on a point of order.

POINT OF ORDER
(Relevance)

The Speaker: May I hear the point of order, Honourable Minister?

Hon. Truman M. Bodden: What is the relevancy of a pension plan and a medical scheme to this? In fact, the honourable Member is going over an area that he has read about three times from this list of dredging contracts from the Auditor General's report. This now is not relevant. I am not sure how health insurance gets into dredging in the North Sound.

The Speaker: Honourable Minister, I have listened very carefully to what the Second Elected Member for Cayman Brac and Little Cayman has said. He is using these as a comparison to what the last Government did comparing it to what this new Government has done. I think that was brought up in a debate by other Members and he is just using that for a comparison.

I think he has made his point and it is not a point of order, but I would ask him now to continue with his other submissions.

Mr. Gilbert A. McLean: Thank you very much, Madam Speaker, for explaining to that Minister who keeps bobbing in and out of the Chamber. If he stayed around he might hear.

Lastly, I think that... He says 'some of us have a job.' I think his job at his legal firm is more attended to than his job of Ministerial duties.

The fact that the seamen could also get free medical was changed. However, on this question of the Shores, and this is vital to a consideration of this—

[Some Members talking across the Chamber]

The Speaker: Order! Please let us have some silence in the House.

Mr. Gilbert A. McLean: —illustrating what is happening in the Government process that should be stopped; that should be attended to and addressed by all of the Elected Members of Government, by the Financial Secretary, the Attorney General, by the Governor, in my opinion.

On this particular four times amended situation with the Shores which first received approval in 1993, the Auditor General makes these observations: **"There is evidence of several licensees exceeding the authorised duration of dredging licences apparently with impunity. The most recent example of this is Project D [which is the Shores] where the licensee had permission for a 10 month operation. This should have terminated by late March/early April 1995. The original project appears to have been completed by November 1994, including an additional 19,623 cu yd dredged at the request of Government to assist neighbouring landowners. In November 1994 the licensee applied to dredge a further 200,000 cubic yards of material for resale to the public from an area adjacent to his existing licence. This proposal was not referred to the EIC [(Environmental Assessment Committee)] or the PCU [(Protection and Control Unit)] prior to approval by Executive Council."**

In other words, dredging here is truly within the full authority of the Executive Council for 200,000 more cubic yards received approval from Executive Council without even coming to the attention of their two scientific units.

He says, **"I have several concerns on how this arrangement was administered."** These are key: **"First, the licence extension was never executed because the licensee failed to provide the detailed hydrographic informa-**

tion when required by the Legal Department.” The extension was never executed—never signed—because the Shores management refused to respond to the Legal Department. Now, we wonder what the Legal Department and Executive Council did about what must surely be a favourite licensee of theirs.

“Second, dredging operations were continuing when audit officers visited the site in May and June 1995. So far as I can establish, the licensee had no valid written authority to continue operations beyond the March 1995 termination date of its original licence.”

That is outright lawlessness by someone given approval by this Government, and not brought to answer for it. People in West Bay have told me that nobody knows how much marl was dredged in that operation. They have also suggested to me why it really did not matter to the Government either.

The third point that the Auditor General makes is: **“No dredging reports have been received in respect of the license extension”. They extended it four times and the Shores operation has not even so much as sent one single report saying ‘Government - buzz off.’”**

The Auditor General says, **“Therefore, [it was] not possible for me to determine the amount of royalties payable.”** What a piratical situation.

[some Members laughter]

Mr. Gilbert A. McLean: It is no wonder we celebrate Pirate’s Week!

Fourth: **“No royalties have been paid to date on the licence extension despite Executive Council’s direction that royalties should be payable in equal monthly installments from the commencement of works.”** No royalties have been paid. And I guess it is possible that they are still dredging down there.

The fifth point made by the Auditor General is: The rate of royalty was fixed at 50 cents per cubic yd without reference to either the EAC or the Protection and Conservation Unit. It may be recalled from paragraph 1.57 above that the standard rate of royalty for this project was \$1 per cubic yard. The original licence specified 40 cents per cubic yard because part of the project was intended to improve an existing boat channel.

Now, when this Government can explain this kind of corrupt, illegal practice that has been allowed since 1993 to now—

Hon. Truman M. Bodden: Madam Speaker.

The Speaker: Honourable Minister for Education.

POINT OF ORDER
(False imputations)

Hon. Truman M. Bodden: I object to that. The honourable Member is imputing corruption and illegality to Government and I wish him to either prove it or withdraw it.

The Speaker: Honourable Member, I heard the imputation and this is not a fair presentation of what you are saying, although certain things were contained in the report. There has been no indication, as far as I can see, of any illegality.

Please continue without further reference to illegal activities or otherwise to the Government. I think you can make your point without expressing your opinion in the manner in which you have done.

Mr. Gilbert A. McLean: Madam Speaker, if the Minister is worried that I was calling him corrupt, I was not doing that. Certainly, I could not question his legality, for he ever reminds us of that particular side of himself.

The point that I was merely making is that everything that should have legally taken place, did not. The fact that no licences were issued or signed and this operation continued on, taking Government’s marl and material was, at best, embezzling—

The Speaker: Honourable Member, I have asked you to discontinue that because you have presented that a couple of times. Please do not repeat yourself. Would you please move on?

Mr. Gilbert A. McLean: Madam Speaker, I think that there can be no doubt whatsoever that before anyone in the Government or their supporters on the Backbench talk about licences granted in the past by another Government, they need to seriously explain those granted by this Government.

As the Minister for Planning says about putting things on the back of the National Team, something like that being peanuts, I do not know who is counting. Neither do I know about any erosion or dredging in North Side that was ordered by Mr. Ezzard Miller. Certainly, if there is erosion in North Side by a channel or any such area, it would seem that this Government would rectify the situation and try to do something about it.

While they are correcting that, it would also seem right that they should make up their minds to do something one way or the other about the erosion of the public beach in Sodden Town for which it gave approval to trench out to the reef.

The question of SafeHaven was raised and, oddly enough, SafeHaven is the only operation where (according to the Auditor General) the fees were paid. Whether they were charged enough and so on is quite debatable, but that was the operation where the fees were paid.

The Minister for Education went on to talk about pumping concentrated salt into the North Sound. Surely, if that were started during the time of the last Government (which I seriously doubt, for I recall reading in the newspapers that this was being done at the desalination plant and it has certainly been within the past two years), and if something was wrong with that, how does the Government sit around and allow this to happen if this is damaging to, as has been suggested, or not in the best interests of the environment? How does it sit around and talk about the last Government having given approval? Why do they not stop it? Why do they not do something about it? It is pathetic that everything that this Government should do, and can be held accountable for not doing, they say we cannot hold them accountable because they are only sitting down watching it happen—the other Government ordered it to be done. Would that they had done that with the hospital!

I cannot tell the public how much an environmental impact study will cost. It is not my place to even presume to do so. I cannot respond on that as the Minister for Planning

would have me. One thing I can tell the public is that it is the responsibility of the Minister for Planning and the Minister of Communications to find out if they are going to pay the slightest attention to the Public Accounts Committee Report and the general feeling and expressions of the public on a whole. It is their business to find out. It is their business to enquire who is best suited to be engaged to carry out such a study - and then look about engaging them.

We need to stop what is happening—just like the Government stopped the hospital; they need to stop the dredging. Also, the Government needs to stop making statements which would make people who are extremely stupid, unable to discern and understand, believe (which would be the Caymanian public) that on the one hand there is no more dredging, but they are going to allow another million-odd cubic yards to be dredged. All of the people in this country understand that it cannot be both. It has to be one or the other.

As for the claim that this approval for the 700 cubic yards is an ongoing exercise they are allowing, the Auditor General has pointed out that all of these licences have lapsed because they have gone over the time. The Legal Department has pointed out that when the time has passed, whether or not the amounts which could have been dredged have been, makes no difference—it lapses. Moreover, the Auditor General has also pointed out that when it goes 30 days over in payment of Government royalties it can be stopped. So there is still no excuse.

Again, I come back to the point that the Government has not spoken to: Is it the intention of the Government to not allow or to stop the dredging of six million cubic yards of marl? That has not been answered.

There is supposedly a shortage of marl that is affecting things here. That is why the North Sound has to be dredged. I take note of the fact that the Government does not think it is proper to engage a dredger (if dredging must be done) where they will only pay \$3.50 to have it dredged and loaded on land. Something is apparently wrong with that. They do not believe in that, but they can ask other people to go and dredge it and sell it to them for \$12 to \$14 per cubic yard.

I received a letter today (and I think most Members of the House got a copy of it) from Quarry Products Ltd. To the best of my knowledge this is the largest quarry operation in the islands. I would just like to quote a few sentences where it says: **“This company was formed in 1975 as a direct result of the shortage of processed aggregate that was needed for the then booming construction industry.”** What I find particularly significant is the paragraph that says: **“I recently paid a visit to the Public Works Department and asked an engineer what roads were being held up waiting for marl. He laughed and said ‘none’.”**

It is very significant where he says: **“During the middle of 1995, I met with representatives of the Portfolio responsible for roads and discussed their future needs as to the much-heralded Harquail and Crewe Road by-passes. Together with the PWD we determined that a total of ‘200,000 cubic yards of fill would be required for the Harquail, and 50,000 for the Crewe Road by-pass’. As a result of these meetings, this company has inventory and is ready to ship 250,000 cubic yards of material when and if those projects come to fruition.”**

The letter further says: **“We own 200 acres of quarry land in the interior of East End and have in reserve**

over 7 million cubic yards of material.” Significant is what it is sold for: **“Over 10 years ago in 1984 we sold shot rock for \$10 and produced in that year a total of 70,000 cubic yards of material. Today, 12 years later, we sell shot rock for \$12 and last year produced over 300,000 cubic yards of material.”** In terms of cost, it is clear that there is at least one alternative to marl, that is, rock—which I am made to understand is much more suitable, particularly for roads because of the compaction element of it.

I would assume that the writer of this letter would be in a position to verify this, having taken the steps to write this to the Members of the Legislative Assembly. I would assume that if he was put to task he would have some proof of this. I mention it because there are obviously alternatives.

The Speaker: Honourable Member, will you be finished shortly?

Mr. Gilbert A. McLean: I would say in another half an hour, at most.

The Speaker: May we take a suspension of 15 minutes at this time?

PROCEEDINGS SUSPENDED AT 11.47 AM

PROCEEDINGS RESUMED AT 12.12 PM

The Speaker: Please be seated.

The Second Elected Member for Cayman Brac and Little Cayman, continuing.

Mr. Gilbert A. McLean: Thank you, Madam Speaker.

There is a point that I think is necessary to be made: Any dredging from now onwards has to be a matter of new approvals. It cannot be, as is claimed by the Government, extensions of past licences. There are approvals which are being given now. One would hope that at least now charges would be made on the licensee by Government for at least \$1 per cubic yard which has apparently been recommended time and time again.

To fortify what I have said about these licences being expired, I would like to quote a sentence which bears this point out as made in the Auditor General's Report. He says: **“I could find no relevant and reliable evidence of the total amounts dredged for any of the five projects examined; all of which should have terminated.”**

One approval [for dredging] mentioned in the Throne Speech owes monies to Government (as of the time of the Auditor General's Report) totalling \$122,997. One cannot be absolutely sure, but, certainly, any reasonable person would hope that the approval to Simmons Enterprises would not be structured similarly as that given to the Shores.

I think it is important for Government to look at alternatives for the supply of fill material for roads and otherwise. I read excerpts from a letter from Quarry Products Ltd., claiming that they had fill material available and what the prices are. But I think if there is to be further dredging, serious consideration ought to be given to looking at allowing (through an impact study making determinations on this) inland dredging or digging of marl.

Many of us know there are some marl pits, as we call them, where there are lakes. While these alter the original surface of the earth, we have water in these pits which could be used in a reverse osmosis or desalination process. There is some opportunity for using these lakes for recreational purposes in areas where they are in subdivisions (as they are in some). There is opportunity for looking at mariculture in terms of rearing shrimp or certain kinds of fish which thrive in fresh water. These are but some thoughts which have occurred to me if the situation of inland digging of marl is allowed as an alternative.

I understand that there are some persons who have applied to Government to dig marl in areas which are remote, in the interior where there are very large parcels of land; and the land could be developed into subdivisions or into large recreational areas using that fill for roads and also using those lakes for recreational purposes.

I have no more than my views on it, but what we could obtain inland, in my opinion, would certainly not be damaging to the marine environment. Even our drainage system (for what we have in this country)... the Public Works Department tends to sink deep holes rather than send drains down to where it pours off into the sea. I understand that would have adverse effects on the marine environment.

I think we also need to take into account that, in the case of Caymarl, they will stand to make \$7.8 million on the amount of cubic yardage which they will supposedly be allowed to take out. In the case of Simmons Enterprises, they will stand to make \$1.2 million if we just take the basic figure of \$10 as being the cost per yard of marl.

Government stands to gain little royalty if charged at previous prices. Certainly, if royalties are to be charged (as I would trust would be the case) there has to be some mechanism where Government determines that the right amount is taken out as per the contract, and that monies for it are collected.

I am not certain what the Minister for Communications and Works means by his Ministry setting terms of reference for the North Sound. If this means that there is some effort being made to commission an impact study, then that is good. I think that there is considerable expertise within Government to draw up terms of reference based on at least one reference I have heard about a report of theirs in the past.

An impact study is necessary to determine where we are today, the extent of damage to the marine environment in the North Sound, and whether or not we can continue with further dredging in the North Sound. That is why the Motion before this House (and I would just like to refer to it once again) asks: BE IT RESOLVED THAT Government consider commissioning an environmental impact study by recognised experts in the field, to be paid for by Government, and if the study finds that some further dredging may be done within acceptable limits, that Government tender the dredging works, secure the marl for use in public infrastructural development such as roads for the Island and sell any surplus marl;

AND BE IT FURTHER RESOLVED THAT Government halt all dredging or proposed dredging until the said study has been presented to the people of the Islands and the Legislative Assembly for consideration and debate..

Madam Speaker, this Motion is in keeping with public concern about dredging in the North Sound, and it is cer-

tainly in keeping with the recommendations of the Public Accounts Committee which this House has been privileged to and which this House has, in effect, accepted.

Any attempt by this Government to blame past Governments for its present action has absolutely no place in reason. Certainly, while I know that the First Elected Member for Bodden Town and I are in the minority (as we were reminded by the Minister for Communications and Works) and that we cannot control this House, I am pleased to be a part of a two-man minority that has the courage and conviction to bring before this Honourable House matter which are of national importance, which should be of concern to all of the Elected Members of this Legislative Assembly.

I do not accept, as the Honourable Minister responsible for Agriculture, Environment, Communications and Works has said, that this Motion is suggesting nonsense. It is not! This Motion is based on sense and good conscience.

I believe that the persons supporting this Motion verbally have made the case for acceptance, and I now leave my support of this Motion intact and to the will of the House as to its acceptance.

The Speaker: The question before the House is Private Member's Motion No. 2/96, Dredging in the North Sound. In accordance with Standing Order 24(12) I propose to put the Motion in two parts. The first part will be:

FIRST RESOLVE - PART I

BE IT RESOLVED THAT Government consider commissioning an environmental impact study by recognised experts in the field, to be paid for by Government, and if the study finds that some further dredging may be done within acceptable limits, that Government tender the dredging works, secure the marl for use in public infrastructural development such as roads for the Island and sell any surplus mad;

I shall put the question on Part I. Members will realise that they will be voting on Part I of Private Member's Motion No. 2/96. Those in favour please say Aye. Those against No.

AYES AND NOES..

The Speaker: The Noes have it.

Mr. Roy Bodden: May we have a Division, please?

The Speaker: You certainly may. Madam Clerk, please take a division.

Clerk:

DIVISION NO. 1/96

AYES: 3

Mr. D. Kurt Tibbetts
Mr. Gilbert A. McLean
Mr. Roy Bodden

NOES: 13

Hon. James M. Ryan
Hon. Richard H. Coles
Hon. George A. McCarthy
Hon. W. McKeever Bush
Hon. Thomas C. Jefferson
Hon. John B. McLean
Hon. Truman M. Bodden
Hon. Anthony S. Eden
Mr. John D. Jefferson, Jr

Mr. D. Dalmain Ebanks
Mrs. Berna L. Thompson Murphy
Capt. Mabry S. Kirkconnell
Mrs. Edna M. Moyle

ABSENT:

Dr. Stephenson A. Tomlinson
Miss Heather D. Bodden

The Speaker: The result of the division is 3 Ayes, 13 Noes. Part I has been negated.

FIRST RESOLVE (PART I) DEFEATED BY MAJORITY.**SECOND RESOLVE - PART II**

The Speaker: I will now put the question on Part II.

AND BE IT FURTHER RESOLVED THAT Government halt all dredging or proposed dredging until the said study has been presented to the people of the Islands and the Legislative Assembly for consideration and debate.

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

AYES AND NOES.

The Speaker: The Noes have it.

Mr. Gilbert A. McLean: Madam Speaker, could we have a division?

The Speaker: You certainly may. Madam Clerk, please take a division.

Clerk:

DIVISION NO. 2/96**AYES: 3**

Mr. D. Kurt Tibbetts
Mr. Gilbert A. McLean
Mr. Roy Bodden

NOES: 13

Hon. James M. Ryan
Hon. Richard H. Coles
Hon. George A. McCarthy
Hon. W. McKeever Bush
Hon. Thomas C. Jefferson
Hon. John B. McLean
Hon. Truman M. Bodden
Hon. Anthony S. Eden
Mr. John D. Jefferson, Jr
Mr. D. Dalmain Ebanks
Mrs. Berna L. Thompson Murphy
Capt. Mabry S. Kirkconnell
Mrs. Edna M. Moyle

ABSENT:

Dr. Stephenson A. Tomlinson
Miss Heather D. Bodden

The Speaker: The result of the division is 3 Ayes, 13 Noes. The Motion has not been passed.

SECOND RESOLVE (PART II) DEFEATED BY MAJORITY.

The Speaker: Government Business. Government Motion No. 1/96, the Development and Planning Law (Revised) (Amendment to the Development Planning Law, 1977).

The Honourable Minister responsible for Education and Planning.

GOVERNMENT BUSINESS**MOTIONS****GOVERNMENT MOTION NO. 1/96****THE DEVELOPMENT AND PLANNING LAW (REVISED)
(AMENDMENT TO THE DEVELOPMENT PLAN 1977)**

Hon. Truman M. Bodden: I beg to move Government Motion No. 1/96:

WHEREAS:

(1) Notice for two months was published inviting objections and representations on George Town Central Block 14BJ Parcels 13 rem 1 and 14 in relation to rezoning from low-density residential to commercial. Thereafter the Central Planning Authority recommended in the proposed Development Plan that the said land be rezoned to neighbourhood commercial. The said land is bounded on the north by the five storey Uglan building and on the south by apartments.

(2) Notice from at least two months was published inviting objections and representations on George Town Central Block 14C Parcel 297 in relation to rezoning from medium density residential to commercial. The central Planning Authority recommended in the proposed Development Plan that the said land be changed to commercial. The said land is bounded on the south by the Compass commercial building.

BE IT RESOLVED by the Legislative Assembly, pursuant to the powers conferred on it by the Development and Planning Law including section 8 thereof and every other power it enabling, that the Development Plan 1977 (being the plan referred to in subsection (5) of the section 6 of the Law) be this day altered by the amendment of the Plan as follows:

1. That George Town Central Block 1 48J Parcel 13 rem 1 and 14 be rezoned from low density residential to commercial.

2. That George Town Central Block 14C Parcel 297 be rezoned from medium density residential to commercial.

The Speaker: Government Motion No. 1/96 having been duly moved by the Honourable Minister is now open for debate. Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: This Motion follows several that have been made in the past, and relates to a re-zoning of two parcels of land that persons have made application to the Central Planning Authority for which has followed the period of notice to the public to allow for objections and representations. Also, it carries the recommendation that the property zoning be changed by the Central Planning Authority.

I do not think I can add very much more to it, other than to say that one of these was made nearly four or five years ago, so they have been waiting for quite some time.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Before the Honourable Minister winds up with this Motion, I would like to ask a couple of questions in order to make an informed decision.

I personally do not have any problem with the rezoning of the two parcels mentioned in the Motion, but I do know that there are many others pending. While the Motion only addressed the two parcels at hand, I wonder what is being done with regard to the other applications pending, and how it relates to the review which is ongoing with the Development Plan.

In seeing the two applications brought before the House, I am not sure the others (and I may be wrong, and I do not profess to have full knowledge of the number) 300 rezoning applications are being questioned in the review process of the Development Plan.

My question is: Exactly what is happening with the process? If it is going to be a long drawn-out situation, will these others simply have to wait in line? Perhaps the Minister could deal with that aspect when he winds up.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker.

I rise to support Government Motion No. 1/96, the amendment to the Development Plan 1977. This is very timely. As the previous speaker said, I am sure there are other lots and parcels that need to be rezoned due to development in these islands. I am sure that the Minister and the Planning Department have a very good reason for presenting these ahead of others.

I believe that George Town block 14BJ Parcel 13(1) and 14 are in the vicinity of Eden Rock, and the George Town Central Block 140 is on the road leading to the North Sound coming off of Thomas Russell Way leading towards the North Sound.

I am sure that most individuals are aware that commercial enterprise is moving more out of the centre of George Town. The rezoning of these two blocks and parcels is very timely and important at this time. However, the previous speaker mentioned other parcels, and I am sure that these will be dealt with in a timely manner, as well as the review to the objections to the Development Plan which is an ongoing process.

Therefore, I support this Motion at this time.

The Speaker: If there is no further debate I will ask the Mover if he would like to exercise his right to reply.

Hon. Truman M. Bodden: Thank you, Madam Speaker.

I would like to thank the Honourable Members who spoke.

What the Fourth Elected Member for George Town raised is a question of when we would expect the Development Plan to come to this Honourable House. The stage that it is in now is that when I found out the amount of representations (some objections some representation) that we had on it, what the Legislature did was allow three tribunals to sit. They are now sitting with very senior lawyers chairing them. I would like to thank these many people, because they are made up of a minimum of three people who are giving their time freely to deal with this.

The task is a very big one. Even though there are about 315 listed objections, some of them actually involve many people. What has happened on some of these parcels of land, for example on just this one there are 50 parcels of land affected. Mainly, members of the National Trust have individually signed the representations and objections. So on each of those 50 parcels there are 65 objectors. If they all exercise their right to be heard (because they have that right), we would be looking at 3,255 people. This has caught me by considerable surprise because I am not certain whether each of the objectors on each of the parcels will exercise their right. I do know that some of them will. I know that the process will be lengthened considerably because of that. This is not the only block that this many are on, in fact, there is another one with 50-odd parcels that has 78 objections to each parcel.

It would have been better - and I say this for future direction of the National Trust - if they had put in their objection and supported it with the names of their members. That way we would only have one objection to deal with, rather than objections from individual persons, most of whom are their members.

I cannot really tell the Fourth Elected Member for George Town definitely when the plan will come here because I do not know. All I can say is that I am doing everything that I can to clear away this type of legal problem and many of the other legal problems that have arisen in relation to the plan. If it happens that time runs out (which it appears it probably will because we are getting to the end of our term), at least most of the legal process would have been dealt with so that whoever has Planning next year can move fairly rapidly in dealing with the plan.

I really do not know, and I cannot estimate when we will come to the end of the hearing process by the Development Tribunals. Until that is done and the findings are transmitted to the Central Planning Authority, which must then go through them and make

recommendations to Executive Council, and Executive Council moves it on to the Legislative Assembly which then considers the overall plan, we are really not much beyond first base, so to speak, at this stage. But I am doing everything that I can to try to deal with this.

In the meantime there are Caymanians who are being held up on the change of use, some of whom have been waiting for a very long time. I think the time has come to take some of these, once this process has been gone through, and we at least get some of them out of the way. But I will do everything within my own power, and I assure the House of this, to try to get the Development Plan procedure out of the way because it needs to be done. It is very much needed.

However (and I keep stressing this because I think it was the Chamber of Commerce that said I should speed it up), the democratic process will not be sped up. It must take its proper legal process. If that drags out over the next three to five months, then so be it. But I am not going to short-cut any legal process in an effort to try to bring the plan here. I think that would be cut wrong.

So, within the law, I will do everything that I can to deal with this and it is now taking an extremely large amount of time in my Ministry. To each one of these objectors, for example the 3,255 that I mentioned, notices have to go out. Because each one of them has a right to object on each parcel it is taking a lot of time. We are proofing as many as

we can, we are trying to consolidate as well; but consolidation can only be legally carried out with the consent of all those whom it affects.

I am hoping that something can be done where we can consolidate and do fewer hearings than we would have had to have done. So I give the House the undertaking that I am doing what I can. While I would not have followed the steps where the last Government began it, I am not criticising them now. I am just saying that the steps started then (which was to begin with the Development Plan and then look at amending the regulations and the Law) were the wrong way around. The Law should have been amended, the regulations should have been amended, then the plan should have come in. This is another area of legal complication that the tribunals will have to look at. However, as it is now, the previous Minister, my colleague and I, came into this process partway through and I am trying to do everything that I can.

Thank you.

The Speaker: The question before the House is Government Motion No. 1/96. I shall put the question.

Those in favour please say Aye. Those against No.

AYES.

The Speaker: The Ayes have it. Government Motion No. 1/96 has therefore been passed.

AGREED. GOVERNMENT MOTION NO. 1/96 PASSED.

The Speaker: Proceedings are suspended until 2.30 PM.

PROCEEDINGS SUSPENDED AT 12.20 PM

PROCEEDINGS RESUMED AT 2.39 PM

The Speaker: Please be seated.

Debate will commence on the Throne Speech delivered by His Excellency the Governor, Mr. John Owen, on Friday 16th February.

The Third Elected Member for George Town.

COMMENCEMENT OF THE DEBATE ON THE THRONE SPEECH DELIVERED BY HIS EXCELLENCY MR. JOHN OWEN, MBE. GOVERNOR OF THE CAYMAN ISLANDS, ON FRIDAY, 16TH FEBRUARY, 1996

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker.

I rise to make my contribution to the first Throne Speech delivered by His Excellency, Mr. Owen, outlining projects and Government's intentions for this coming year. There are many good projects and activities which are to take place in 1996—not just because it is an election year, but because we have good Government.

In the introduction of the Throne Speech, Mr. Owen made an appeal to the community to help Government deliver services to its citizens in the most cost-effective and efficient way. He went back to the people of these islands when he stated that the people were strong and self-reliant, and proud of it.

For a long time now we have heard individuals say 'let Government pay for it', 'Government can do this'. But Government is a business, as well as having a duty to deliver services. There is no reason why it cannot be efficient and cost-effective. Maybe we need to educate our citizens to know that nothing is free. Services have to be paid for. Someone has to pay for it; we should not take the attitude that because Government can provide the service it is free. That is not the right attitude.

In moving on to the Judiciary Department, I am happy to see that the courts have been relieved of the congestion in their physical surroundings, and that they will have additional room so that the courts can operate efficiently and effectively. Since this Speech I believe that a new judge has arrived and has taken office.

The Committee reviewing the Public Service Regulations and Orders is diligently working and there is good news in that non performance can lead to dismissal. If an individual is not performing in the private sector they are dismissed; I see no reason why this cannot take place in the public sector as well. If an individual does not perform and is not contributing, then why should he stay on in the Service? I am sure that because some people know they can get away with non performance that is why they seek to get into the public service. So I am happy to see that this will be changed moving towards a system that will link performance and pay.

The Chief of Police should be commended since taking up his post here in our islands. He has initiated some very good programmes, and it takes a good leader to get people to perform. If we have a good leader (which I believe he is) then it will filter down to the individuals serving under him. The officers will pull up their socks and will want to do what the leader expects of them.

He has put a lot of these police posts out to civilians. That is very commendable and seems to be working very well, especially in the George Town area where he has many officers deployed. On behalf of the other representatives of George Town, I would like to thank the Chief for this programme. I hope that they will continue with this in the other districts.

More reliable vehicles have been provided. We saw pictures of old vehicles being replaced by new ones in the *Caymanian Compass* recently. I am sure that we would all like to provide more, but this will take place in due course as the money is available.

We will have to continue with short-term secondment of constables from the United Kingdom, but with the public relations going out regarding the police force, I am sure we will attract more locals, especially with the school liaison programme which will be introduced this year.

The Prison Department continues its high standard of discipline amongst the staff and inmates. It is unfortunate that a murder trial is ongoing at this time regarding the murder at Northward Prison. But for the individuals in Northward prison there are a lot of good programmes and training to assist them to come back into the public and have meaningful work, so that they can fit back into society upon their release.

Drug Counselling and other educational programmes are in place and this is also commendable.

The Department of Immigration is still very much talked about by the public. I am happy that the Immigration

Board is working and the directives seem to be in place and are being followed.

I think the Members of the Board should be thanked for the time and energy which goes into the many hours in which they serve in their capacity on the Immigration Board. They are to be thanked and commended for this.

I am happy to see that an agreement has been reached with Cuba so that Cayman will not be a place for refugees, such as what we endured last year. Good things are happening at the Immigration Department, and I am sure that the Honourable Chief Secretary (who is responsible for this department) will continue to work closely with this department and the officers and with the inquiries which they must handle on a daily basis.

I am not sure if, as some members of the Democratic Alliance Team say, they will 'clean up' the Immigration Department. I am sure that all politicians hear of complaints and would like to 'clean up' the Department of Immigration. But this is the department reserved for the Honourable Chief Secretary and his Deputy who is assisting him. So, I am not sure how this will take place. They are human beings; they make mistakes like we all do. It is a very difficult task with the number of different individuals from all over the world, with work permit applications and with extensions. Sometimes it is the Caymanian's own fault when you hear, 'Oh, this one has been here for six months on extensions.' If the individual is examined, it is sometimes found that it is the Caymanian who has stood responsible for this individual to get an extension, then another local complains about it. Perhaps it is time for our Caymanians to look long and hard at this and try to better understand the workings of the department and not try to harbour them, but go through the right channels and make sure that, if they are to work, that a permit is in place and not continue getting extensions and then complain that we are overrun by expatriates.

Moving on to Cayman Brac. Executive Council met in Cayman Brac, but not because this is an election year (as expressed in letters published in the *Caymanian Compass*). I believe Executive Council last met in Cayman Brac in the early 1980s and the Legislative Assembly met there in 1971. It was because Executive Council cares and has concern about Cayman Brac that they decided to meet over there to hear the concerns of individuals in Cayman Brac. As good listeners, I am sure that they assured the people. By the correspondence in the *Caymanian Compass* the people of Cayman Brac are satisfied that Executive Council and Government in general will continue to try to keep positive economical growth for Cayman Brac.

The environment is very sensitive in Cayman Brac. I am happy to see that climbing on the bluff will be carefully considered so that the bluff will not be destroyed, and that its natural beauty will be protected.

Little Cayman is developing more rapidly than Cayman Brac, I understand. I can understand why, as Little Cayman is very beautiful. That seems to be the hot place for a lot of people from Grand Cayman to buy lots and build a weekend get away. I hope that all development will be closely looked at and controlled to keep Little Cayman's identity.

In the 1996 projects, as outlined on page 6 for Cayman Brac, there are a lot of capital projects taking place. The residents there cannot say that the National Team Government is not doing anything for Cayman Brac and Little

Cayman. Perhaps they would like to have more, but funds are limited and we are doing the best with what we have.

Moving on to Personnel Training Management and Computer Services: I was a bit disturbed with (and I discussed this at length with the Community College Board) a circular that went out from the Personnel and Computer Services Department stating that the Computer Department is no longer responsible for computer training in the different Government departments, and that they recommended two private companies for the various departments to learn how to use their computers.

This seems to be a serious undermining of what the Community College is trying to do. Here, Government has set up the Community College and invested a lot of funds in computers and staffing. No consideration was taken by the Computer Services Department in working with the Community College to provide training. I hope that this will be corrected, and I am sure that the Principal of the College will offer (and put in place if it is not already in place) any type of training that the department would like, if he is approached and aware of it.

So often in Finance Committee we vote funds for various Government Departments to purchase new computer systems. I hope that they will take advantage of the Community College in assisting them.

The Legislative Assembly sat for a total 44 days in 1995. There are other Committees. Even though we are not present within the walls of this honourable House, all politicians work very hard and diligently to represent their people to the best of their ability.

It was with interest that I noticed a letter in the *Caymanian Compass* recently, saying that we had not reduced our salaries. We are constantly working, not just sitting in this Legislative Assembly, we are on the outside working. The individual writing that is, I am sure, aware of that. I feel our salaries are justified and I see no reason for changing it for the long hours and days that all Members of this House put in trying to represent our people.

The Cayman Islands Office in London is very well utilised for recruiting. I would like to say that Mr. Thomas Russell, who is in charge of this office, does a very fine job in promoting these islands. He has Cayman at heart. I am sure it was as a result of his keen interest that the Friends of Cayman group was formed by Members of Parliament in the United Kingdom. As a result, we had six visiting MPs last week seeing what Cayman is all about—how we operate and live and conduct business here.

It was recently announced that the voters list will begin to be compiled on 11th March. I encourage all individuals who are eligible to vote and exercise their democratic right. I hope that more than the 10,000-odd individuals registered in the last election will be enumerated and listed and that they will go out and vote.

The Law School is progressing very well with an enrollment of over 54 students, and a current enrollment of 28 new students.

Even though we are tied to the United Kingdom, one day I would like to see our own Caymanian Attorney General (no offence to the Honourable Attorney General serving us at present). It would be quite an honour if we could have our own local Attorney General and Legal Draftsman in place as a result of our Law School. I see no reason why this cannot take place sometime in the near future.

Coming before this Session of the Legislative Assembly will be a Bill for a Law to establish a Stock Exchange for these islands. I believe this goes hand-in-hand with our finance and development, our banking and insurance and shipping registry that we are trying to promote. Hopefully this will be passed, and I am sure that all Members will consider it. It will complement the other financial services provided here in Cayman.

The Customs Department has also moved over the past year. I hope that the plans will continue so that the Customs Administration and Department will be combined at the Owen Roberts Airport.

The Customs entry processing system is to be improved. I have had some complaints by merchants that it is too time consuming to clear goods. Hopefully this will improve and the time of busy people will not be wasted.

A projected figure of 25% growth in shipping registration for 1996 is realistic. I hope this will be realised.

Under the Budget and Management Unit of the Internal Audit Unit, internal controls are being reviewed and a Central Debt Collection unit within the Treasury will be established.

I wonder if the setting up of this unit will be more expensive for Government. I hope that the Financial Secretary has done a thorough investigation to make sure that this will be more profitable than putting it out to private debt collectors, and that we will not be spending more to collect money due Government.

As a Member of the Public Accounts Committee, it was surprising to me when witnesses advised that debt collection was not a priority in different departments. So I hope this will be addressed with the establishment of this debt collection unit. If Government does not have money, we cannot provide the services that so many people are looking for.

The Supervisor of Financial Services will be leaving the public service shortly. I am sure it is with much regret that the public sees her leave. I wish to thank her for her time and services in making our Financial Services Department so successful, and I wish her good luck.

The Ministry of Aviation Tourism and Commerce is working toward restoring and having more projects for our tourists to visit. Tourism seems to be booming. Of course the Opposition will say it is no thanks to this Government, but I am sure there are a number of reasons for tourism to be increasing yearly in the percentage that it is. We should continue to look closely at the services provided for the money individuals spend to come here. I hope the restaurants and all the gift shops give very good service for the money being spent.

The Fire Department is a very well run department, and I am happy to see the introduction of a fire code. As usual, extensive training is given by this department. I am sure many of us saw in the media how the Fire Department initiated training for individuals working on a hotel site in operating fire extinguishers and what to do in the event of a fire.

The Port Authority will be taking delivery of a new container crane in a few weeks. I am wondering if this is really necessary, but I am sure the Port Authority Board would not go to this expense if they were not sure it was needed. I hope that the use of this crane will not increase our cost of living if there is going to be a charge added for its

use onto the Port Authority fees. I also hope that if a ship has its own crane they will be allowed to use it and not be told that they will have to use the crane now at the Port Authority.

Permanent moorings for George Town has been talked about for years. Only this past week the Honourable Minister for Tourism answered a question in this House regarding the initiation and establishment of permanent moorings. He thoroughly explained that very shortly three moorings would be in place in the George Town Harbour. Again, moorings were talked about and, finally, it is a reality. I hope that this will be considered in other areas, such as Spotts, so that the environment would be protected.

Madam Speaker, not just because I am Chairman of the Board of the Community College, but the College was left out with no coordination between the Department of Tourism and the College with the training programme. Three or more individuals will be hired in the Department of Tourism. At the College there is a hospitality suite and kitchen. No consideration was given to the College by the department in working out this training programme they are putting in place with the private sector. Again, this is very disheartening for the Community College.

I wonder why this trend of the left hand not knowing what the right hand is doing continues when all the money is invested by the Government and they work much closer together.

The Civil Aviation Authority is aware of the need to expand at the Owen Roberts Airport. On weekends, especially, there is hardly any standing room with the number of flights coming and going. I am happy to see that the expansion will be taking place early this year.

Little Cayman will be getting an airport as soon as the Feasibility Study is completed. I am sure this will take place with the input and help of the residents and, at best, the cheapest possible cost to the people of these Islands, in providing a safe landing strip for aircraft in Little Cayman.

The Ministry for Health, Drug Abuse Prevention and Rehabilitation has certainly been working. The hospital has taken a bit longer than we all expected (that is, the new complex). Stopping the Dr. Hortor Memorial Hospital was what the public wanted including Members of the Opposition who continually say, oh, it should not have been stopped. Yet, before this Government took over they were saying that it should have been stopped. Now that they are the Opposition, they say it should not have been stopped. I am not sure how you can please those Members of the Opposition when we dealing with what the public wants in stopping the hospital. We did that.

A modern and efficient health services complex will be completed and it will not be a split system as was proposed for the previous hospital. I am sure that we will all be proud of those new and improved facilities which will provide health services for the people of these islands.

Clinics will be established in the outer districts for the residents there bearing in mind the traffic congestion, and mainly for some of the elderly people living in those districts, it is very difficult to travel into George Town to use the hospital at all times. I am happy to see that plans for district health centres will be put in place and that these will be erected.

Health Insurance: We would all like to have seen a Law relating to this Health Insurance coming before this

House before 1996, but in revising the Bill and in providing health insurance regulations which will accompany the Bill (and not like the Chamber's News and Views that was published recently, calling for Health Insurance Regulations to accompany the Bill) they will accompany the Bill. Members of the public can rest assured that they will be presented with the revised Bill which the Honourable Minister said he will be bringing to the House.

This Bill will be phased in, and I am sure all workers will be required to have insurance at least 6 to 24 months before it is mandatory. It will be slowly phased in along with the Pension Law. Now, I understand that there are reservations that we are getting the Health Insurance and Pension Laws all at the same time. I am sure the Health Insurance will be taken into consideration first and then the Pension Law will be phased in after the insurance scheme is up and working. However, I do hope that all workers who will have to take out health insurance and have a basic plan for when they are sick or when it is needed, will be educated and will understand what is being provided by the coverage which they are purchasing.

The saying goes 'you get what you pay for', and I am sure that some individuals will pay \$40 or \$50 (whatever the fee will be) per month and they will expect to get all sorts of coverage. So I hope that the individuals will be educated and will understand what the coverage is in the basic plan, so that when they have to pay co-insurance, or if it does not meet all the needs of the individual, then the Ministers and the politicians will not get the blame for saying we have to have Health Insurance and it is just a rip off. I hope that this will be taken into consideration and individuals will understand their coverage and know what is being provided by the Health Insurance policy they are paying for.

Two point four million dollars was approved for the purchase of medical equipment. I am sure that this will be put to good use at the hospital. Hopefully (after being ill myself) a scanner will be included with the equipment. I am sure the Minister knows that all the equipment for the \$2.4 million is badly needed and the list is being prioritised to make sure that the equipment will be put in place very quickly.

Finally, I am happy to see that mental health services will be addressed and reviewed to know what is needed. For so many years members of the public who are mentally ill have been neglected; they have been held in Northward Prison or the West Bay lockup simply because we do not have a mental health facility. But this is being included at the new hospital. A review will take place, and I am sure those patients with mental problems will be identified and not left on their own simply because the previous Government felt that it was not important to address the problem of mental health in these islands.

The non-collection of fees due to the Health Services is very high. This has been discussed here and motions were brought on the collection of fees by the Government. This is very frightening; but it is good that the new Accountant will be concentrating on collecting outstanding fees both for the local hospital and the overseas medical treatment that individuals received and are not in too much of a hurry to repay the Government. This is frightening, and I hope individuals will just come forward if they have received treatment, and if they are in any way able then they should pay because it is depriving others who perhaps need over-

seas or local treatment. If the funds are not there the services cannot be provided.

The Drug Secretariat will be set up in order to carry out the Drug Strategic Plan. This is very important in that we do have drug abuse in our society and we need to help those individuals. The need for drug rehabilitation was reinforced in this Drug Plan. Again, the Government does not always move as fast as the private sector. I would have liked to have seen the renovation of the Rehabilitation Centre at Breakers started at least by this time, but it has not. I know that it will be very shortly.

The Canaan Land project, which is a private project, was recently in the news where it will be up and running this year. I was a bit saddened when they mentioned individuals in the private sector, but they did not mention that the Government had made a contribution of \$45,000 to their project. I know that Government is very appreciative and that they will assist in the rehabilitation of individuals, especially young men, to help them turn around their lives and in getting off drugs. So the Government does support Canaan Land Foundation, and I am happy that the project will be up and running shortly.

Cayman Counselling Centre seems to be meeting the needs in our society. It has expanded not only physically, but with their programmes they will also be expanding their services to Cayman Brac and working at Northward Prison five days per week. They are to be commended in trying to meet the needs that are so badly needed at the Prison.

Moving on to the Ministry for Education and Planning: The Minister has done a great job with the Department of Education in getting the Strategic Plan and the site-base planning up and running. Their planning exercises will be completed by 1999 and this is to be commended... in such a short time. There have been some critics, but I feel that what the Minister is doing with the Strategic Plan is very worthwhile and a National Curriculum will be tested in the primary schools by September of this year. That is encouraging.

Many capital projects continue in the schools, not only in Cayman Brac, but also here in Grand Cayman, especially George Town. I will just touch briefly on those since that is the constituency that I represent. The Red Bay Primary School will continue with their expansion, and the George Town Primary School will be receiving additional classrooms. School buses for both of those schools will be provided by the Minister because he realises (and some representation has come from parents of these students) that we need school buses. With additional funding from this honourable House, I am sure the Minister will put out all efforts to make sure that those buses are secured for the Red Bay and the George Town Primary Schools.

George Town Primary is a very good school. Often in the district of George Town you will hear, 'Oh, Red Bay School is getting this, and George Town is getting left out.' That is not the case. Red Bay is a newer school and George Town Primary is a very good primary school. The Red Bay Primary School might be physically better in some instances in that it is newer, but when you visit the George Town Primary School at public functions where you see the children singing, reciting, dancing and performing, I am very happy and proud to see those students from that primary school. There are very good, caring and dedicated teachers in both schools, and I know that George Town Primary has the same as the Red Bay School and this should be put to rest.

By September of this year the Community College will be offering associate degrees in 15 areas. We are looking at articulation with colleges from overseas so that when an individual works towards an associate degree here, they can transfer to colleges in North America. The associate degree will be accepted and they would only have to concentrate on their major when they transfer to other colleges in the United States. This is very gratifying, more students can take advantage of scholarships, and I am sure the Education Council will look closely at awarding more scholarships to Caymanians to attend the Community College in order to obtain their associate degree before moving on to North America or to the United Kingdom.

The construction of a new Library media centre at the College has just been started. The staff and board members work very closely. I would like to use this medium to thank those individual staff members, and especially the principal of the Community College, and members of the board for their dedication in the efficient running of the College.

As a matter of information, over 5,000 students have passed through the Community College since its inception in early 1989. It is very gratifying to know that our people are taking advantage of the subjects and that the extended facilities are being provided at the Community College.

Government will continue to assist private schools. I believe that is very important. People have a choice in providing education for their children and if they would like to send them to private schools, and can afford it, then it does take some of the burden off the public schools, especially in the primary and secondary levels. I am sure that private schools will meet the needs just as well as the public schools.

The Student Loan Scheme has been privatised, and this is good. I am sure that the Education Council will take advantage of the Community College in offering more scholarships.

The Planning Department is not as talked about and criticised as it used to be since the new Minister has taken over this department. Not only have they expanded physically in their surroundings, they now have better working conditions in the department and have also been computerised. I am sure that this has helped in their efficiency and in dealing with applications, and questions. In working with the Inspectors for George Town especially, there are many problems which they complained about such as the enforcement of injunctions of the Planning Law, in that there is no teeth in the Law for making sure that someone can be stopped with an injunction. I am sure the Honourable Minister will be addressing this shortly by changing the Planning Law and Regulations.

The 1992 election campaigns were very concerned about Cayman Airways, that was a very hot. I think the Minister and the Board of Cayman Airways and all the individuals working with and for Cayman Airways have done a very good job in turning it around and they should be proud of their airline.

With the expansion to Orlando I am sure that the airline will pick up additional revenue in that it seems to be a popular route. They have already added additional flights over the Easter weekend. So it was an eagerly sought after route for Cayman Airways to take, and I am happy to see that this is being done.

The Ministry of Agriculture, Environment, Communications and Works, along with the Department of Agriculture and the Agricultural Society, should be commended for the beautiful show that took place just last week (Ash Wednesday). After hurricane Gilbert in 1988 the former Member did not see fit to assist the society and the department in getting the show [back on track]. In 1993, when this Honourable Minister (the current Minister) took office, the Agriculture Show on Ash Wednesday took place.

I remember how diligently he worked in 1993 to get that show going. Each year it seems to be getting better, and Caymanians can be proud of the fruits and vegetables and the healthy livestock that were on display at the show last Ash Wednesday. There are many problems with growing things, but 'where there is a will there is a way'. I am sure that once things are grown locally and with to the awareness of health and so forth, locals will support the farmers by purchasing their produce and meat, etcetera.

In visiting the Farmers' Market, I believe it needs to have better supervision for purchasing of produce and making sure that it is better run. I hope that this will be addressed by the chairman of the Co-operative Farmers' Market.

The Lands and Survey Department has undoubtedly increased revenue. I am sure decreasing the stamp duty from 10 per cent to 7.5 per cent certainly helped in getting land transfers moving again. Everywhere you drive in these islands it seems that everything is for sale. I am sure we can look for additional revenue from lands being sold and exchanged.

The 9-1-1 system is soon to be coming on stream. Again, the Ministry has worked closely in getting this done and it should be starting in September. This is a necessary project for emergency and communication systems for these islands. I am sure statistics will prove within one year that it is well worth having this system in place.

The Post Office continues to serve the public well and, together with the Customs Department, it is a very important revenue-earning department for the Government. In addition to the new Express service they are looking at providing other expanded services. They are to be commended in that area. The whole physical appearance of the Post Office, the training and the sorting centre that will be put in place this year over at the Airport will only enhance the efficiency of the Post Office and the public certainly will be more appreciative of the services that are rendered by that department.

The Department of Environment seems to be working well. They are now working on the review of legislation; it needs to work on its debt collection as well and make that a priority. Hopefully, the new building on the North Sound Road will be sorted out for the residents in the area, and some agreement will go before the Tribunal for working out the erection of the new building so the residents over there will all be happy with the end result of the project.

The Environmental Health section: I would like to see more coordination between food sales and safety in handling foods. I feel that the Health Department needs to monitor this more closely. From the time I was elected I have talked about this, and I hope that it will be a priority for the Environmental Health Department. I am surprised that more food poisoning does not result, not through the fault of the establishments.... But it is hot, and all sorts of elements

come into play when dealing with food (cooked or raw). This needs to be addressed by the department.

The MRCU continues to spray and work towards eradicating the mosquitoes. They are also to be commended.

The Marine Parks Management will be working on the whelks. Years ago (especially in the South Sound area) there were thousands (and I am sure you are aware of that coming from South Sound) of whelks on the iron shore. Today when you go there (and I am not sure what the reason is) there are hardly any whelks. I am sure they will work toward replenishing them like they have done with the conchs in their research working toward replenishing the Marine Parks. Our marine environment is very important and we must try to take care of it for our children and their children and be good stewards of our environment.

The dredging issue has been very hot, and it has been discussed previously so I will not comment further on it. But I am happy to see that no more dredging will be approved as stated here [in the Throne Speech] by the Governor.

The Public Works Department continues work in the supervision of Government's Departments and Authorities. I think perhaps it is time, since His Excellency believes in privatisation, that this Department be looked at very closely so that some of the management and supervision could be privatised. They do a very good job and anything that I request of the Department in writing to be done for the district of George Town, they are very efficient and try to work on it; that is, buildings—I cannot say the same with roads. But, again, all Members of this House contact them for the roads engineer and the Department to be working on the roads. It seems that George Town is left for the last. Unfortunately we are the Capital and I am hopeful that this year roads will be addressed much quicker for this district than was done in the past years.

Speaking of roads, I believe roads will be a very hot issue in this upcoming election. There was very little emphasis on the maintenance in the past several years and the original life-span of some roads is slowly deteriorating. I believe that only with a large loan for roads and proper funding will we get the roads that are necessary for these islands. This should be prioritised and done because I feel it is very important.

George Town, as I mentioned, will be getting some road works done - not as fast as the representatives would have liked, but the Public Works Department is working with us. Proper costing for what is needed will be provided by the Department so that we can get additional funding for the roads in George Town.

I will not touch in great detail on projects for the district of George Town which have been, or are going to be, done. I believe the Minister for Education will be dealing with this. But projects have been completed, contrary to what the Opposition said. George Town is the Capital and when we receive things such as the Hospital, the Sports Complex, expansion to schools... they are all in the George Town district. So we are working. I am not sure what else they would like to have done in George Town.

In the previous Government there was a member on Executive Council for George Town and one-third of the projects were not finished. This Minister for Education and Planning, who is now serving on Executive Council, sees to

getting things completed for the district. I am very happy to see that we do have a representative for George Town on the Executive Council. I believe he is working to the best of his ability to get projects done for the district, and not only for George Town, but for the island and education in general.

The Social Services Department is being restructured and they are working diligently. When people are turned down we hear that the Social Services Department would not help them. But there are means tests in place to assess individuals with their needs and if an individual is not assisted then the Social Services Department must have a reason. No one is perfect, they make mistakes, I am sure. But they can only provide services for so long and for so many. Again, the public must learn that they can not have everything they would like from the Government; Government can only assist to a certain extent.

The community workers are working very hard along with CODAC and the District Community Development Action Groups. I know that the community worker is working very closely with members of the community to improve the areas that they live in. I would like at this time to thank the Community Worker for George Town for the many hours that he has put in. For the last several months he has worked very hard in Watler's Square, Rock Hole and other areas. He enjoys working with individuals and always follows up after the community has been given some guidance.

I remember that this was one of the things that the A-Team talked about when we were campaigning, in putting Members into the communities to work with residents so that they could have a better living and working environment. It cannot be done from an office, and on behalf of the people in George Town, I am appreciative of this individual working with us.

The crime survey has not been done as yet, but will be undertaken after the family study is complete. I know that crime must surely be levelling off. If not, it must have dropped because we read in the newspapers under the 'Police Report' of certain offences, but I believe that it is declining. Again, the programmes that the Commissioner of Police has put in place have helped to deter the commission of crimes that were taking place. I wish we did not have any crime and I am sure that all Members and individuals would like to see it that way, but it is a reality and we all need to work together to eliminate it as much as possible.

The different activities put on by the Ministry for Community Development, and the Youth Band which is putting together an orchestra for the community, should be commended. When you hear the National Choir and the Youth Choir perform you can really enjoy them, and appreciate the efforts of these young people in their performance. The individuals working with these young people are to be commended in getting them to perform in the manner in which they do.

I touched on the Pensions Law earlier. The Advisory Committee will be presenting it to the Executive Council and I am sure that sometime later this year it will come before the Legislative Assembly for approval. Hopefully that will be phased in so that the working community will have the Health Insurance Law and then the Pensions Law to follow.

The Sports Department has many programmes in place and there are a lot of individuals who give their time freely to work and make sure that sports play a very important role in the community. For many, many years previous

Governments talked about sports and, finally, it is a reality with this Government. They are working to ensure that proper programmes and facilities are in place. I would like to thank Johnson and Higgins for their generous offer to provide a Recreational Centre in Spotts. I am sure this will be greatly appreciated by the public and we will certainly assist (that is, the Government) with the planning of this centre to make sure that it is the best for all concerned.

The summer camps will be established by the Ministry. Football Camps were brought back and, again, having attended those camps over the years it is very gratifying to see the number of individuals and children who take advantage of them.

The office of Women's Affairs (the Motion calling for it was passed in January last year) is slowly coming on stream. There are many issues that this office can deal with and I hope it will continue to progress (and not get bogged down in bureaucracy) and meet some of the needs of the women and families in the community. I am sure that, like everything else, it takes time; but it needs to be addressed and worked on at a much faster pace. The Steering Committee is meeting and I am sure it will continue and hopefully very quickly will be established.

I work with the National Museum and the Public Library on behalf of the Ministry of Culture. I would like to thank all the members of the Board, the staff, and especially the volunteers who give of their time. The Education Liaison Officer whom we are hoping to put in place at the Museum to work in the schools should be a reality this year.

The Library was looked at closely for expansion and it was felt that the outer districts should have library facilities before addressing the National Library here in George Town. This was unfortunate for me because as chairman of the Library Committee, I had hoped that we could have expanded the library before that was done. But with limited funds we can only do so much. I am sure that in due course the library will be renovated and expanded to provide a better service.

I, too, would like to thank the individuals who are involved at the library and the committee for their time and effort in the success of the library.

Art development in these islands is slowly expanding; people are coming to appreciate and understand art in a much broader sense. It is also gratifying to see that a National Art Gallery is being considered and looked at. Hopefully, one day it will be a reality for our community and our islands.

The Department of Labour is working with the new Labour Regulations Board and the Tribunals. The Ministry talked about the work of the Minimum Wage Advisory Committee and the Workmen's Compensation Law. I do not agree with the minimum wage, but I am sure that will be looked at in due course and I will vote accordingly with feedback from the public.

The Housing Development Guaranteed Mortgage Scheme: At the end of 1995 70 applications were approved by four participating banks. I am sure many of these individuals are very happy that they now own their own homes. As the Minister told us today in answering a Parliamentary Question, lower income Caymanian families will have an opportunity, as soon as negotiations are completed, to get affordable housing between \$300 to \$400 per month.

One area that needs to be addressed is the rental properties, especially in George Town where tenants' housing is not improved and yet the rental rates increase. I am not sure if this is Government's responsibility to dictate rental cost, but I am sure that the Planning Department and the Department of Environment need to take a closer look at housing and what is being charged by individuals in these islands and no sub-housing should take place for tenants.

The Agricultural and Industrial Development Board seems to be working well. I must say we do enjoy good quality water, although I am sure the Authority has its problems. Septic and sewerage systems are costly in the construction of new homes. I am sure that the Department of Environment and the Water Authority will look at solving the sewage problem in the North Sound very shortly.

One of the areas that this Government has fallen down in is public relations. Many good programmes and projects have taken place and are going to take place in 1996. But, of course, like anything else only the bad things are talked about and the good projects seem to get hidden. I believe that good public relations is important. This has been discussed at length by Members of the Government and no solution has been arrived at. I am sure that the public in general is appreciative of the many services provided by Government, and I feel that some can only be provided if the funds are there and the monies are collected. I hope that this will get priority by the different Heads of Department and the Unit that will be put in place.

Thank you, Madam Speaker, for your indulgence. I also thank all Members of this honourable House for the time given to me.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

As we approach the 21st century the Cayman Islands, like many other countries of the world, are faced with some immense challenges. Indeed, it would not be inaccurate to say that some of the problems with which we are faced are intractable and demand a unified approach to problem solving if we are going to be successful in our efforts as a small developing community in overcoming these problems which, I might add, in many cases seem to baffle and puzzle other countries, including developed countries.

In my response to the Throne Speech as read by His Excellency Governor Owen on February the 16th, the first observation I wish to make is that I noticed that a new description was used by His Excellency in his reference to these islands and our country. When he said **"In a nation state, government has a duty to the citizens. It has a duty to provide the services to maintain law and order, ensure care for all and to offer education and training for the people. Teachers, nurses, police officers and other civil servants provide the services for the community."**

I want to key in on the words 'nation state'. It is true that if we use the criterion of the seemingly rapid rise in our population over the last decade, the description of the Cayman Islands as a nation state is one which is apt indeed. I hope that in describing us as a nation state that is the basis on which the description emanated.

But to return to the challenge and the necessity for a concerted and unified effort, we are no less influenced by events in the world as are other countries with much larger land mass and population. We are both confronted with the same problems.

One of the things that concerns us and has been a theme now for some time is: At what rate should we continue to develop? This, I posit, is the \$64 million question. In current literature there is a relatively inexpensive book, written by Sir James Goldsmith who is an eminent and wealthy man respected for his views on addressing questions of development. The title of the book is *The Trap*. It almost sounds like a novel. But the *Times of London* says, **"The Trap should be required reading for all those committed to the interplay of ideas and action in politics."**

Let me go a step further to say how *The Trap* came into being. It was the basis of a series of lectures which Sir James Goldsmith gave at the Sorbonne University in Paris, in October of 1992, to a gathering of some 2,000 postgraduate students from many different parts of Europe. What struck me as I perused the book was its relevance to what we are going through now and its relevance to what we heard in the Speech from the Throne; its relevance to questions that we are struggling to come to grips with, such as the notion of dredging in the North Sound; this business of how many tourists can we comfortably accommodate; this whole business of how far we should strive to develop economically, and at what point does this kind of development become counterproductive?

I want to draw reference in particular to page 19 of the introduction because it relates to a conversation and a meeting which has some relevance to our situation by virtue of the fact that Sir James Goldsmith relates an encounter that he had with the Prime Minister of Anguilla, which at that time had a population of about 9,000. Sir James says: **"I lunched with the then Prime Minister. The island is very beautiful. It has long white beaches and hospitable people. I asked him about his plans for developing the island, and this is more or less what he answered: 'This island is our island and we are happy living here. We have two alternatives, either we can develop at a reasonable pace and in a way which supplies jobs and well-being to our people, or we can choose the policy which has been applied in practically all our neighbouring islands. We can aim at rapid and maximum development. After a great deal of thought we chose the former of these two policies. If we had decided to develop tourism as fast as possible and build great hotels and apartment complexes one next to the other, then we would need to move to a policy of massive immigration so as to be able to operate such an economy."**

"We realised that the inevitable result would be that we would become a minority in our own country and we would not be spared the growth in crime and drugs and other social tragedies which seem to be the inseparable companions of rapid development, tourism, and substantial immigration."

"Our island would no longer be the same. That is why I have always campaigned that we should be content with the optimum development capable of producing good employment for our people while at the same time, maintaining our way of life." How striking! How relevant, Madam Speaker! How current! Would that more of us would take the advice of the Anguillian leader!

Imagine, a population of 9,000 could easily be dismissed as insignificant and yet, with such a sense of destiny and such a sense of responsibility and commitment to his people!

One final example in this chapter which Sir Goldsmith narrates is that in his travels he visited the Kingdom of Bhutan (which I understand is in the Himalayas). The King of Bhutan in his annual address to his people declared that he was more interested in the gross national contentment of the nation than in the gross national product.

Those two examples in a nutshell crystallise the challenges which we face and are quintessential examples of what His Excellency the Governor meant when he spoke about the duty of the Government to its citizens in terms of the services it has to provide and, by inference, the rate of development.

In the January 29th, 1995 issue of *Time* Magazine, in the section entitled, 'The Nation', author George J. Church poses the question relative to the United States: **"Are we better off?"** and he says, **"In the material world Americans are doing well, but they are paying a high price in work and**

worry." The same is true of the Cayman Islands: In the material world Caymanians seem to be doing well, but we are paying a high price in terms of work and worry.

Then there are those who would declare that we really are not better off because, while we have an availability of more products and amenities and luxuries, we have fallen into the trap where we have to work harder, longer and longer, to provide for the same things which were taken for granted so many years ago when we had far less outbreaks of stress and worry.

To reiterate: It is, indeed, a challenge to find the right path for the Cayman Islands and the right rate of development, for I realise that we are on a treadmill from which we cannot get off easily and which I sometimes think we dare not slow down. If we do, we run the risk of some faction or element screaming that they are not doing as well as they were, or could, because they are not making as much money or they had to give up one job. So it is a trap, Madam Speaker, and we have to continue to find a way to deal as best we can satisfactorily with this.

I want to say that in our development we have had the full gamut of what the Chief Minister of Anguilla spoke about when he spoke about crime and the drugs, and being a minority in our own country. It seems that there is no end to the situation. I was reading in the newspapers sometime ago about work permits being granted at the rate of 200 per month. I do not know if that alarms anyone else, but it certainly does alarm me. For it brings home to me the realisation that if this is going to be the trend, then a decade from now we may have to take a magnifying glass to find persons like ourselves among the mass of population that this country will have. It is not that I am in any way mean, or that I am in any way not generous with my hospitality, but I have to realise that there is only so much in the Cayman Islands.

Even the great United States has now decided to take a hard line against some form of immigrants and has decided to try to structure themselves in such a way, because they are receiving pressure from the populace of the United States, some of whom claim to be losing strides. So for us in the Cayman Islands, the challenge is no less; we have to find a sensible balance and try to ride the treadmill at a speed which allows us to keep that balance and to keep that equilibrium so that our own people, particularly the young (of whom much will be said later by myself and others) do not feel excluded. But also, Madam Speaker, for those of us who are now mature and, especially, those who came up during the formative years who for one reason or the other could not avail themselves of the educational means and mechanisms to acquire marketable skills and trades.

So in our development we have to pay special attention to this lest in our haste to develop we leave behind those of our own who need help most, but who are unable (through no faults of their own) to be competitive. Then, too, along with this we have imported the accompanying problems, drugs, crime, and pressures that bear on the society and lead to breaking of the law.

One of the things that I have always been concerned about is the amount of crime (serious crime) in a small country such as ours. I think that it speaks something about the attitudes of our people. Certainly, from my background in sociology, I would have to say that the explanation lies not in genetics, not in heredity, but in the pressures which are being brought upon some of our people who lack the skills to cope in ways except to resort to drugs and ways which mean striking out.

Some years ago when I had much more leisure time, I used to collect the Court's lists and fiddle around on my computer with the types of offences and try to speculate as to the background of the people who commit such offences. I regret now that I did not save what I had done because it was my in-

tention to publish in an impersonal way, what I saw as an alarming increase in crimes against the person: grievous bodily harm, assault, causing actual bodily harm.

My colleague and I went across to the Courts yesterday and we were looking at a list which was put up there [on the notice board]. I counted the number of cases now before the court of offences by young people. I was surprised!

If we speak to some of these people we are left with the clear notion and understanding that many of the things they do is out of a sense of frustration; out of a sense of a lack of confidence in their abilities; and out of a sense of hopelessness with the situation in which they find themselves.

Hence, from here on in, we can quite rightly expect that more pressure, more dependence, more reliance is going to have to be placed on what I call social control agencies. But that is not where the ideal solution lies. The ideal solution lies in some kind of education which allows these people, at whatever stage they find themselves in, to come in to the system and equip themselves with marketable skills that they can go out and earn an honest and legitimate livelihood.

My argument is: while the Royal Cayman Islands Police Force will always have a place in our society, we cannot reasonably expect the police to do the job by themselves. Heaven knows they are doing a commendable job, and I might take the time to say that from what I have read, I like the philosophy of our new Commissioner, Mr. Anthony Grey, and I wish him all the success. I think he is on the right track in trying to get his own force in a position where they gain the respect and confidence of the community and where they are further professionalised. But even if he were to achieve the impossible and bring all of his officers up to their optimum level, their efforts still would fall short because they cannot do the job by themselves.

We have to improve on the total system, including the rehabilitation of persons who break the law and have sanctions put upon them by the authorities. I want to say that numerous times in this honourable House I have lamented the fact that we are not generous enough, that we are not sufficiently forgiving toward some of these people who go to Northward Prison, particularly those who commit what the sociologists call victimless crimes. We are not sufficiently generous towards these people and as a result of that many of them resort to recidivism; they go and commit the same offence over and over again until they become permanent residents of Northward.

I am particularly referring to those people whose emphasis is on using drugs - not the dealers, not the sellers, the victims are the users. I have seen them in my own constituency, and it is unfortunate. If one takes the time to speak with them one will find that in most cases it is through no fault of their own. Some people have managed (it must be through the help of God) to rehabilitate themselves with a little help. Others continue to struggle and it is like the Sisyphian myth—they kept rolling the stone up the hill only to lose control and have it roll down again—and they go back to prison.

I see them come looking for jobs and they come and tell me stories about being turned away, being spurned, being derided. Yet we have people in this country, business people, wealthy people, employers who put pressure on the Government, who scream 'fill up the system, get rid of them, get rid of crime', who do not take a minute to realise that they can be of help in reducing crime by giving some of those persons (particularly those persons whom I have stressed do not have criminal records for assault, things like rape, causing grievous and actual bodily harm) one of the most menial occupations.

I want to say something in all seriousness (and I do not know why I keep relating these experiences because it seems that they are not taken seriously and some people seem to think

I am a theorist; a theoretical fool who is full of ideas which are gleaned from books and experiences but cannot work). Years ago in the 1970s the Canadian Government found that if they continued to imprison these young people at the rate they were doing, they would have no one capable of joining the Armed Forces; no one capable of entering the Civil Service at the Provincial and the Federal level. Let me add this sobering footnote, the population rate of increase that Canada experienced at the time is very similar to the population increase we have at this time. So if we do not address the problem, I do not know what we are going to do in a few years hence. We will forever have to resort to large-scale importation.

We need to continue to accelerate and be more generous in our efforts to rehabilitate, to place trust and to have some faith in our own people. Also, most importantly, we need to exercise greater efforts in nailing the top dogs in drug operations. I would love to see who some of the financiers are. I would love to see who some of the masterminds are, as I know many other people would love. It is easy to catch the users. Anyone who has any knowledge of their communities can know where the bag, truck or car loads of them are any day the sun rises. What we need to drive home is that we are also serious about pursuing the big boys.

The Speaker: Honourable Member, I do not expect that you will be finished this afternoon?

Mr. Roy Boddén: No Ma'am, at the rate I am going I could cruise all year if allowed to.

MOMENT OF INTERRUPTION - 4.33 PM

Standing Order 10(2)

The Speaker: I think we are going to have to bring a halt right now to your 'cruising' until tomorrow morning.

May I ask for a Motion for the adjournment? The Honourable Minister responsible for Education and Planning.

ADJOURNMENT

Hon. Truman M. Boddén: Madam Speaker, I beg to move the adjournment of this Honourable House until 10 o'clock tomorrow morning.

The Speaker: The question is that the House do now adjourn until 10 o'clock tomorrow morning. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it.

The House is accordingly adjourned until tomorrow morning at 10 o'clock.

AT 4.33 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM THURSDAY, 29TH FEBRUARY, 1996.

**EDITED
THURSDAY
29TH FEBRUARY, 1996
10.11 AM**

The Speaker: I will ask the Honourable Minister for Agriculture to say prayers.

PRAYERS

Hon. 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 II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated. Proceedings are resumed.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker: I have two apologies for absence, one from the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation, who is sick, and we hope he will have a speedy recovery. The second is from the Honourable First Official Member who is overseas on official business.

Accordingly, Mr. Donovan W.F. Ebanks, MBE, is appointed the Temporary First Official Member.

**ADMINISTRATION OF OATHS
OR AFFIRMATIONS**

(Oath of Affirmation Administered by the Clerk)

Mr. Donovan W.F. Ebanks, MBE

Hon. Donovan Ebanks: I, Donovan Ebanks, do solemnly and sincerely affirm and declare that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II her heirs and successors according to law.

The Speaker: Please take your seat, Honourable Temporary First Official Member. I welcome you to the Legislative Assembly.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker: I have an apology from the Second Elected Member for Cayman Brac and Little Cayman who will be a bit late. He has asked that the questions standing in his name be put down at the end in anticipation of his arrival before termination of Question Time.

Questions to Honourable Members/Ministers. Question No. 35, standing in the name of the Fourth Elected Member for George Town.

**QUESTIONS TO HONOURABLE
MEMBERS/MINISTERS**

QUESTION NO.35

No. 35: Mr. D. Kurt Tibbetts asked the Honourable First Official Member responsible for Internal and External Affairs are any new directives being considered by Government in regard to permanent residence.

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. Donovan Ebanks: Thank you, Madam Speaker, the answer: The matter of the granting of permanent residence is subject to regular review. However, there are currently no new directives under consideration by the Government.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Could the Honourable Member give a brief reply on the method by which these applications are dealt with? Are they dealt with on a regular timetable or are they dealt with as they can be?

The Speaker: The Honourable Temporary First Official Member.

Hon. Donovan Ebanks: Thank you, Madam Speaker.

The applications are dealt with on a regular basis. The Board meets on a weekly basis and while at one stage there had been a practice of applications being accumulated and dealt with at intervals, the current practice is to deal with them as they are tendered within a weekly timetable.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: In the previous answer, the Honourable Member noted that there is a review which is ongoing from time to time. Could he say if there is any one document with all of the prerequisites collated into one document which outlines eligibility for permanent residents.

The Speaker: Honourable Temporary First Official Member.

Hon. Donovan Ebanks: The application form for permanent residence sets out what is required. There is instruction provided on the form in terms of supplemental documentation that has to be submitted with the applications.

I know of no single document which amalgamates the provisions of the law and the provisions of the directions.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Member say, because of the fact that no applications for Caymanian Status are being entertained (that is, applications by right) that this has led to a policy which is more inclined to grant the applications which are put in for permanent residence?

The Speaker: Honourable Temporary First Official Member.

Hon. Donovan Ebanks: Applications for status by right are being considered. Applications for status by virtue of residence are subject to a quota and currently there is no available quota.

It is perhaps true that the absence of consideration of that category of applications for status has led to some increase in the number of applications for permanent residence. I think the number in 1995 was 224 and the number last year was close to 300.

To answer the specific question as to whether this has led to any new policy or direction in dealing with permanent residence, no, it has not.

The Speaker: The next question is No. 36, standing in the name of The Fourth Elected Member for George Town.

QUESTION NO.36

No. 36: Mr. D. Kurt Tibbetts asked The Honourable First Official Member responsible for Internal and External Affairs how many applications for permanent residence were dealt with in 1995.

The Speaker: Honourable Temporary First Official Member.

Hon. Donovan Ebanks: Thank you, Madam Speaker. A total of 309 applications for permanent residence were dealt with in 1995.

SUPPLEMENTARIES

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker. Would the Member say how many of these applications were approved and how many were denied?

The Speaker: Honourable Temporary First Official Member.

Hon. Donovan Ebanks: Of the 309, 77 were refused and 167 were approved. Sixty-five were either deferred or were pending at the end of 1995.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: In the very last part of his answer, the Honourable Member said that 65 were either deferred (and I am assuming that is for further information) or still pending. Is it a fair assumption that 309 applications were handed in to be dealt with, and that there were no others put in but not dealt with during the course of the year?

The Speaker: I think the Honourable Temporary First Official Member has stated clearly that 309 applications were dealt with in 1995. Can you add further to that Hon. Temporary First Official Member?

Hon. Donovan Ebanks: Yes, Madam Speaker. Perhaps I can simply say that the pending component of that 65 would include applications which have not yet been considered. They are being administratively processed before being put to the Board for its adjudication.

The Speaker: The next question is No. 37, standing in the name of The Fourth Elected Member for George Town.

QUESTION NO.37

No. 37: Mr. D. Kurt Tibbetts asked the Honourable Minister responsible for Agriculture, Environment, Communications and Works to explain the procedure from the time a dredging application is received until a final decision is made whether or not to approve an application.

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker. The answer: All coastal work applications (including those for dredging) are submitted on the prescribed forms (Coastal Work Application forms) to the Ministry of Agriculture, Environment, Communications and Works. These applications are submitted in quadruplicate and must include proof of having advertised a notice of application in the local press for two consecutive weeks and also include other additional information such as hydrographic surveys, bottom profile and structural section drawings.

At this time, the public is invited and certainly entitled to view the plans at the Ministry and make representations (objections) at that time.

The Ministry forwards a copy each to the Department of Environment and to the Department of Planning for input and recommendations. Once these reports are received, the Ministry submits the application for consideration by Executive Council who has sole responsibility for coastal work matters.

SUPPLEMENTARIES

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Minister say if there is a time limit involved for public input when the public is invited to view the plans and make representations?

The Speaker: The Honourable Minister.

Hon. John B. McLean: Thank you, Madam Speaker. We try to do at least two or three weeks.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Can the Minister say if there are any circumstances under which these regulations may vary?

The Speaker: The Honourable Minister.

Hon. John B. McLean: Thank you, Madam Speaker.

I wonder if the Member is speaking of the regulations or the time frame. Which?

Mr. Roy Bodden: The regulations.

Hon. John B. McLean: Thank you, Madam Speaker.

If it was, say, a huge project and of course the public asked for more time, definitely it varies because being the sensible Government that we are we would extend it to appease the public.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you.

In the last part of the answer to the question: The Ministry forwards a copy each to the Department of Environment and the Department of Planning for input and recommendations. Once these reports are received the Ministry submits the application for consideration by Executive Council who has sole responsibility for coastal works matters.

When the recommendations are received from the two departments, does the Ministry then (based on those recommendations and public input) form an opinion and in the submission to Executive Council it is received from the Ministry with a recommendation to approve or not to approve?

The Speaker: The Honourable Minister.

Hon. John B. McLean: The input of the departments mentioned would be placed in the paper along with whatever objections or representations that were made by the general public. The paper could go either way, it could go with a recommendation for Executive Council to make a decision, outright or if it was not a controversial issue, it could go with a recommendation from the Ministry to say it was recommended.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Prior to this (I am not sure of the time) there was (I think it was called) a dredging inspection team which was made up of laypersons and individuals not necessarily employed by Government. Does such a team still exist and if so are they active in the process?

The Speaker: The Honourable Minister.

Hon. John B. McLean: Not by the same name. But we do have a Technical Advisory Committee in the Department of Environment that carries out the same duties.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: So the Technical Advisory Committee is made up of civil servants and they are basically the unit which gives the recommendations from the Department of Environment?

The Speaker: The Honourable Minister.

Hon. John B. McLean: That is correct to a certain degree. We have to take into consideration the civil servants involved are technical people with the expertise in that field.

The Speaker: I will now call on question No. 32 standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO.32

No. 32: Mr. Gilbert A. McLean asked the Honourable Minister responsible for Agriculture, Environment, Communications and Works how are quantities of marl from dredging decided and what is the formula for calculating royalties.

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Madam Speaker, the answer: Quantities: Dredging applications are normally accompanied by a detailed hydrographic survey, prepared by a licensed surveyor of the area under consideration. A maximum depth is specified and based upon that information, the quantity of material to be removed from the seabed is estimated.

At the completion of dredging, a second hydrographic survey is conducted. The difference between the pre-dredging survey and the post-dredging survey yields the actual quantity of material dredged and adjustments in royalty payments are made on this basis.

Formula: Royalty payments relate to the applicant's right to 'use or 'occupy (in the case of docks) Crown property. Executive Council acts upon behalf of the Crown. Crown, as landowner, has the right to impose any royalty fee it deems appropriate. Therefore, no set formula for the calculation of royalties exists.

Royalty fees generally correlate to the extent of environmental impact and implication of the coastal works project being considered for a licence.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Does it mean in the reply, in the area of quantities that a hydrographic survey is carried out

by the licensee when an application is submitted? Or is this done by some scientific person employed by the Government?

The Speaker: The Honourable Minister.

Hon. John B. McLean: The applicant would hire a surveyor to do the work.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Is any effort made during the time that a dredging operation is in progress for qualified persons employed by Government to measure depths and check indeed to see if these operations are kept within the bounds of this survey?

The Speaker: The Honourable Minister.

Hon. John B. McLean: Under the license granted the Government reserves that right to be able to check at any time they see fit.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Minister say if Government before these dredging applications are approved, has a method by which it verifies the original depths of the seabed before the dredging commence?

The Speaker: The Honourable Minister.

Hon. John B. McLean: I believe I covered that in the first answer I gave.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Madam Speaker, referring to the question I just asked. Does the Government check at any time during the ongoing dredging operation to see if licensees indeed do stay within the parameters set out for them?

The Speaker: The Honourable Minister.

Hon. John B. McLean: The answer is yes.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Minister say, if it is found that licensees have dug to a greater depth than has been permitted by license, what then occurs as far as Government is concerned?

The Speaker: The Honourable Minister.

Hon. John B. McLean: I mentioned that the difference between the pre-dredging survey and the post-dredging survey would tell the exact amount of yield from any dredging project. So the most I can say to the Member is, if we should

have a doubt the same answer here would apply in order to find out the yield from whatever project.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: It is clear enough that the measurements will show the amount of yield. But it is my understanding that certain depths are prescribed to limit the damage to the ocean floor. What happens regarding any kind of environmental damage that results from excess dredging or depth?

The Speaker: The Honourable Minister.

Hon. John B. McLean: I have not encountered one of those so I cannot answer the Member.

The Speaker: The Fourth Elected Member for George Town, which will be the last supplementary.

Mr. D. Kurt Tibbetts: In the answer the Minister has said that "...at the completion of dredging a second hydrographic survey is conducted." Would the Minister say if this second survey is conducted by the Government or by the licensee?

The Speaker: The Honourable Minister.

Hon. John B. McLean: Thank you, Madam Speaker. This is verified by the Government.

The Speaker: The next question is No. 33 standing in the name of the Second Elected Member for Cayman Brac and Little Cayman

QUESTION NO.33

No. 33: Mr. Gilbert A. McLean asked The Honourable Minister responsible for Agriculture, Environment, Communications and Works what has been the cost to date for the construction of the piece of road from the area known as 'Cottage', going eastward.

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker, the answer: This road construction was known as the realignment of the road at Half Moon Bay. As of 1st February, 1996, total capital spending for the construction of the realignment is \$755,695.00.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Honourable Minister say if this road is now completed, and whether any amounts to be paid are still outstanding?

The Speaker: The Honourable Minister.

Hon. John B. McLean: That section of road is completed and it is my understanding that this is the cost of the full project.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Minister say if the road which existed will be used for access to the beach property or will the property which has been created between the old and new road be joined to the beach-front property so that there will be one road access for those properties?

The Speaker: The Honourable Minister.

Hon. John B. McLean: It is my understanding that there will be one main road. The property in front of the parcels mentioned will revert to the individuals, I think, on the sea side. It is also my understanding that properties on both sides of the road were owned by the same individual. So in order not to pay compensation in certain areas, it was easier to afford the piece of property to the landowner.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: For the purpose of clarity, the section of old road which is supposedly now closed, for all intents and purposes will no longer exist?

I am assuming it was a gazetted road. My question is, where the new road is created (I am assuming that has gone through the gazetting process or will go through the gazetting process) will the other old section be gazetted and be part and parcel of the land which will be joined with the beach property?

The Speaker: The Honourable Minister.

Hon. John B. McLean: I would have to say exactly what the Member has just said. My understanding is that a portion of this property has already been blocked off by one of the landowners and the old road will definitely revert to the owners of the property. In so doing, definitely it will have to be gazetted and the new road will have to be gazetted also, that is the first portion of the road.

The second portion of the road that is known as "Old Half Moon Bay", is slightly different. My understanding is that some compensation will be paid in that area. That is why I carefully worded my answer to say that in a certain area, which was the first area of the road.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: When the Minister says: Some compensation will be paid, is he saying that the landowners will compensate Government for the land area taken up by the road that will be given to them, or will Government be paying the landowners for putting a road through their properties?

The Speaker: The Honourable Minister.

Hon. John B. McLean: I made it abundantly clear; the first part of the road going east from George Town, that section will revert to the landowners. It will be gazetted and considered part of their parcel of land. The other end going east to

Old Half Moon Bay, there is a section (a short section) that the landowner will be compensated because the road had to be moved, in order to straighten it, fairly close to the front of the home.

The Speaker: The next question is No. 34, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 34

No. 34: Mr. Gilbert A. McLean asked the Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture how many persons have received 'Veteran Pensions' to date and how many applications are pending, giving a breakdown by name, district and category.

The Speaker: The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: Thank you, Madam Speaker, the answer: Approximately 450 people have received ex-servicemen's benefits as of 29th February, 1996. It is not possible to give a breakdown according to districts, but as soon as this information is available, the answer will be given in writing.

SUPPLEMENTARY

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Honourable Minister say why the information by district is not available, in that one would presume everyone who applied had to give an address?

The Speaker: The Honourable Minister.

Hon. W. McKeever Bush: As I have said it is not available as yet and as soon as I have it, I will tender it in writing.

The Speaker: That concludes Question Time for this morning.

Government Business, continuation of the debate on the Throne Speech. The First Elected Member for Bodden Town continuing.

GOVERNMENT BUSINESS

DEBATE ON THE THRONE SPEECH DELIVERED BY HIS EXCELLENCY MR. JOHN OWEN, MBE, GOVERNOR OF THE CAYMAN ISLANDS, ON FRIDAY, 16TH FEBRUARY, 1996

(Continuation of debate thereon)

Mr. Roy Bodden: Thank you, Madam Speaker.

Yesterday, at the conclusion of the day's sitting, I had just reached the section in my contribution where I wanted to mention some of the comments on page five of

the Throne Speech, specifically dealing with the Department of Immigration and Broadcasting.

I am happy to know that the union between the Government Information Services and Radio Cayman has fallen asunder because when it was announced from the beginning I thought it was a somewhat unholy alliance. It is not that the two are entirely at cross purposes, rather it is that they have fairly specialised roles. As such, any union would be bound to experience difficulties which were not easily resolved.

Let me say, now that the union has been annulled, that I hope the Government will see fit to develop the Government Information Services in keeping with their stated aim in the Throne Speech, where we can have a television programme which is informative and educational. I think it is appropriate to describe it as a programme by which Government can issue its propaganda and get out information and details necessary for the public.

I recall my years as a student in Jamaica, in the 1960s, when their Government Information Services started. It was by this kind of effort that they were able to build up and, in spite of the problems experienced in that territory, they have a fairly good, widely respected and recognised Government Information Service. I look forward to hearing of the further developments of this service.

I have stated in this House often, and by my actions have demonstrated, that I have always been a supporter of Radio Cayman and I wish it well. In my capacity as a manager in the private sector, I am always very supportive in terms of sponsorship and using that media for advertising because we have found that it is a fairly effective source of advertising and it provides good value for money. Indeed, from our surveys, the value for money is far better than what we get from the printed media.

I do not know much about District Administration except to say the comment from His Excellency about his being concerned over the imbalance between the level of economic activity on Cayman Brac and Little Cayman as compared to that of Grand Cayman, calls into question (perhaps as much as anything else) a moral obligation as to what is fair and appropriate in a budget of \$202 million. Certainly it is not inconceivable to think that if things were so structured, expenditure in Cayman Brac and Little Cayman should at least come to 10% of that over the year.

It is a challenge for us to arrive at a point where these two islands can develop in such a way so that the problem which exists now with young people and school leavers finding it absolutely necessary to immigrate in order to find gainful employment... I think that going into the year 2000 this is a challenge we need to seriously work on. We cannot have the population of Cayman Brac and Little Cayman being like what Oliver Goldsmith described in his poem "The deserted Village. I think we owe it to the people because they are as loyal and conscientious contributors to the taxes as those of us in Grand Cayman. We have to find a way to treat them accordingly. I will leave that for the policy makers and bureaucrats.

I want to say something with regard to Personnel which I am rather surprised about. It has occurred to me that when people apply for posts (and this is not only limited to the Government sector, I gather that it is also a practice in the private sector) credentials and certificates are received from the applicant. In the world where I exist that is a no-no.

It runs a rampant risk of encountering fraud and imposters of no mean order.

The correct method is for someone to provide the name of the institution. The onus is upon that person to arrange with the registrar to have a certified copy of a certificate or transcript forwarded to the prospective employer. I was amazed to know that in 1996 someone can apply for a job in the Cayman Islands and pull a certificate, diploma or degree out of their attaché case and it is accepted as truth. People laugh at me and say that I am defunct. But it is good that I am, because no one could ever run that past Roy Bodden.

The Legislative Assembly is fortunate indeed to operate in the kind of environment in which it operates. We have efficient and courteous staff and we get efficient and courteous service. I believe that there is room for some improvement. I am puzzled by the fact that in other jurisdictions the Speaker would be the Head of the Department; and the Speaker would be the one who sets the tone of the development. I make this observation not to say that what happens now is not efficient or that it does not work, but it seems appropriate that it be the way I am suggesting. I am concerned that in our situation the office of the Speaker is not accorded the respect and rights that should be accorded to it. For example, I would think (and protocol and common sense in management would demand) that the office of Speaker should carry with it at least someone who would be a private secretary to the Speaker. I hope that in the near future these observations could be considered. I do not believe that it is appropriate, nor are we doing justice to the office of Speaker, to have a Speaker who does not have any specifically assigned assistant.

Certainly in other jurisdictions (even in those less economically well off than we are), that office carries with it the necessary and requisite support staff. I say that with the hopes that my comments will be taken in the light in which they were cast, and that these improvements would be forthcoming in the next little while.

As a body, the Legislative Assembly, the Parliament, sat for a total of 44 days in 1995. In addition to our regular sessions we had various Select and Standing Committees. I am concerned that we are approaching the time when we are not going to (in an election year with the business of all those who will be defending and contesting), be able to finish all of the committee work which we have started. I deem much of that work of crucial importance to the future of this country.

I speak with special reference to the Select Committee on the Fundamental Rights. It is unfortunate that we are no further along in this work than we are. I would like to draw reference to a text by Elizabeth Wynn Davies, entitled *The Legal Status of British Dependent Territories*. I would like to read some brief sections from pages 234-235 of that text: **"The Constitutions of the British Virgin Islands and the Cayman Islands are the only remaining dependant Territory constitutions in this region that do not include provision for the protection of the fundamental rights and freedoms."** That was from page 234.

On page 235, the author goes on to say: **"In 1970, two reports of the Cayman Islands Legislative Assembly's Select Constitution Committee (which consisted of all the Elected Members of the House) recommended that constitutional provision should be made for the pro-**

tection of the fundamental rights and freedoms in the Cayman Islands.

"In 1991, the Cayman Islands Constitutional Commissioners recommended that such provision should be included in the Cayman Islands Constitution, stating that: 'There was almost unanimous request for the fundamental rights and freedoms, i.e. a Bill of Rights, to be included in the Constitution. With this request there can be no disagreement and since these fundamental rights and freedoms are to be found in the Constitutions of nearly all other dependant territories, we recommend that they be enshrined in any amended Constitution of these islands.'"

Finally, Elizabeth Wynn Davies goes on to write: **"The Legislative Assembly of the Cayman Islands and the Select Committee have agreed with this recommendation but it has not yet been put into place, although other Constitutional recommendations have been."**

I feel a special sense of frustration with the lack of this Fundamental Rights Bill. The *Hansards* of this House will show that it was I who on two occasions during my first term unsuccessfully moved that we have fundamental rights in the Cayman Islands. It seems that I may leave Parliament and we will still not have any fundamental rights and freedoms. I am left to wonder if it is not by design rather than by accident.

Similarly, too, there are other important committees which we need to work on posthaste. Those are the Select Committees on the Register of Interests and the Code of Ethics. It is imperative that we, as responsible representatives, set these in motion as much for our own protection as for the efficacy and efficiency of the smooth-running of future Parliaments.

I again want to crave the indulgence of the Chair to quote something from a text entitled, *Who will tell the people: The Betrayal of American Democracy*, written by William Greider. He states on page 15: **"The Most troubling proposition in this book is that the self—correcting mechanisms of politics are no longer working. Most of them are still in place and functioning but, for the most part, they do not produce the expected results. Some of the mechanisms have disappeared entirely. Some are atrophied or blocked by new circumstances. Some have become so warped and disfigured that they now concretely aggravate the imbalance of power between the many and the few."**

Greider was writing, of course, about the United States. But, certainly, the United States can claim no monopoly on those kinds of actions. I would hope that we in this Parliament would see fit to put in motion the kinds of mechanisms that will not only sustain democracy, but help it to grow.

I cannot continue without making comment on the expediency of the changing of the Standing Orders to suit the circumstances the Government wishes to avoid, specifically in this case changing the Standing Orders in a way which sometimes blocks Members' questions which are not answered in a relevant and appropriate time, but are rather submitted in writing long after the information can be effectively used by the Member. It is a trick, a quirk of expediency. I understand that politics consists of such tricks and quirks, but if you are really sincere about true Parliamentary democ-

racy, then, certainly, we have to find better ways of dealing with these kinds of situations.

On the elections: It is true that the Elections Office is a highly professional and well-organised office. I agree that the by-election in Bodden Town was conducted in a very professional manner; professional and unquestionable as far as the conduct of the Elections Office and its officers are concerned. However, if one were to move about the community of Bodden Town, even now there is a feeling that some odious practices came out of that election.

We have evidence in this House (through a question that was brought in a previous sitting) that there were concerns that civil servants may have been involved to the point beyond which they should have normally been involved. I worry about what I call this 'graying' of the area, and some people in my constituency have not taken it lightly. It runs the risk (if it continues and is encouraged by any entity, be it Government or Opposition) of destroying the independence of the Civil Service. This has been the death of many countries that could have been prosperous today - Ghana, Nigeria, Kenya, a myriad of them. There is an encyclopedia of countries where this kind of thing happened - small, at first. I hope that we can avoid this.

I expect that civil servants will attend meetings and hear what the candidates have to say. How else could they vote appropriately and intelligently? I certainly do not expect them to be on campaign committees or to be cajoling or bad-mouthing people - be they Government or Opposition. I hope that the civil servants are sufficiently wise and sound to shun anyone who encourages them to do so because they will be putting themselves in a position where they can only be castigated and sanctioned and they will lose their independence. Politicians may come and politicians may go, but the civil servants should seek to remain in a position where they can work with all and sundry, dispassionately, honestly and effectively. It is only then that these islands will continue to progress. Enough said on that.

We heard earlier in this sitting that the Portfolio of Finance and Development is faced with a number of challenges. In section 9 of the Throne Speech, the very first paragraph says: **"In 1996 the Portfolio of Finance and Development proposes to review and revise the Public Finance and Audit Law, and Financial and Stores Regulations, establish the Cayman Islands Stock Exchange and an Integrated Financial and Manpower Information System."**

On page 11 the Treasury Department proposes to set up a debt collection unit. I want to say that this seems to be a rather ambitious agenda for one year. I wonder how much we can really achieve given that each of these developments is going to take a considerable concentration of manpower and a reasonable amount of time. I would caution that whichever is deemed the most important be tackled first and done most efficiently, because I am sure that those persons involved do not need me to tell them to try to do one thing well, rather than to try to do many things and wind up with all of them not done well.

We are doing well in this Portfolio because, in addition to all of these what I call internal concerns, we have to keep an eye open for external detractors who try to put our jurisdiction down. Perhaps this is a good time to say that I was taken aback by the comments of some of the visiting Parliamentary Delegates from the United Kingdom. I was left

with the impression that they really did not have too many scruples about torpedoing us. Some of them seemed to have the mistaken notion that we are not a jurisdiction of some scrupulousness and meticulousness.

Quite a few people called me and drew my attention to an interview with a couple of them on the local television. During the brief interval that I engaged some of them in conversation, I tried to make it crystal clear that when it comes time to defend the reputation of the Cayman Islands there is no gap between Government and Opposition. If anyone wants us to close ranks, they can try to question our integrity and they will be surprised and shocked to see how quickly we go over on the other side, or the other side comes over here as the case may be.

I think that the point has already been taken (and I am sure that the Financial Secretary is well aware of this) that it might be time to find someone who can give us good public relations and publicity emanating out of Europe beaming from the United Kingdom, because we really do not deserve some of the things people try to pin on us. I have said before, privately and publicly, that I will rise to defend the Government any day in its efforts to keep the Cayman Islands a reputable and respected financial centre. That is what we are working towards and that is what we deserve to be. Nobody, but nobody, can say when they came to us with reasonable recommendations that we have not tried to accommodate them.

I cannot speak from the point of view of the policy-makers, I can only speak from the point of view of what comes to the floor of the Parliament and what has been debated here before. So my position is that I may have differences with the Government on other fronts and in other areas, and will continue to have, but when it comes time to defend the integrity of the country, I am fighting on the Government's side.

I want to leave this Portfolio by reiterating the importance of the Treasury Department setting up an effective debt collection unit. As was stressed in a debate earlier, it is important that persons for whom Government provides service, or who receive goods in good faith, honour their obligations to pay. It is unfortunate, but I suppose it is a reality of the times, that the Government has to take these kinds of measures.

In doing so, however, we will be no different from other Governments who go after bad debts and pursue people. As I said before, I know it is difficult. I would only caution that the unit be structured in such a way that the civil servant is protected from the wrath of any entity or individual, and that the politicians be so effectively buffered that no one can come to them expecting them to waive the regulations and change the obligations when they have to pay Government monies which have been contracted in good faith.

I look forward to the setting up of this unit and to its effective and efficient running. As a footnote I will say that it certainly has my support. I would love to see examples made of some people.

I would now like to come to the Ministry of Tourism, Aviation and Commerce. I will limit my comments mainly to tourism. The first point I wish to make is that it is unfortunate and regrettable that we have come to the place where we gauge success in the tourism sector mainly on numbers.

I think that we need to approach this with some caution. This, in all honesty, has not just happened. It is not

necessarily as a result of any direction of this particular political directorate, but I honestly believe that it arose because it is the easiest, most practical, and most widely accepted criterion on which we base success.

If you say that last year I had 100, this year I have 200, anyone hearing that would think that you are doing better this year than last year. That may be so. The point I wish to make is that if we get into this kind of system where that is the only criterion, what will happen is, sure, we will gain (and I want us to gain), but that will also put pressure on our infrastructure and the support services and the ability to find people to fill all of the vacancies in the hospitality industry.

In the February 23rd issue of the Caymanian *Compass* there was an article saying that tourism is growing, and that in January there had been a 16% increase. I think that somewhere in the article it says that 1995 was a record-setting year for total arrivals with more than 1 million reported. So we have reached the 1 million mark now.

I find that calls for a pause - when we think of three small islands of about 200 square kilometers having 1 million visitors a year, with a permanent population of only 30,000. I think it is necessary for us to monitor this situation carefully. To go significantly beyond that is going to create an obvious need for us to develop more supporting infrastructure - roads, sewer systems, all these kinds of support services which are necessary.

What may happen is that we may reach a point at which the increase in numbers becomes counterproductive, because in order to service these visitors we have to enter into the almost immediate expense of building up our infrastructure.

So it is good that we have come this far and have done this well. I only say that it is time to clean the lenses and check this out. All of this strain falls on the Government for advertising. This is unfortunate. When we have a bad year, nobody gives the Government a little break; the private sector complains and wants to dump the Government. Sometimes politicians like myself do that too! So there is a sense of balance and perspective here because all of this advertising expense comes from the Government coffers.

I do not want the Government to get into a position where it is only deemed successful if they can increase the numbers successfully each year. I am going to say something, which I am going to throw out as a challenge: I think the time has come for an examination of the role the private sector plays and to, quite rightly, expect the private sector to take some of the responsibility. Let me say what I mean by responsibility: some of the expense of advertising and publicity. The time may be now to explore the possibilities of some kind of partnership. I do not think it is fair to expect the Government to carry the brunt of the burden all of the time, especially in those cases where establishments do not pay the Government their accommodation tax, and who knows what else. I think that it is an appropriate time to re-examine the relationship.

I want to briefly discuss the attitudes and philosophies of our people and what we can do to improve them so that we do not become complacent or disgusted. It is difficult in our environment to remain open, amenable and perfectly hospitable all the time. We have some problems, but by and large the Cayman Islands offer a reasonable standard of living to persons here.

One of the difficulties I find, from listening to complaints that I get, is that if we do not continue to work on attitudes we are likely to come to a point like the Bahamas experienced, where our welcome is not as sincere and obvious as it could be.

I guess that I can best explain this by saying that we always have to show the distinction between service and servility. We have to get across to our people that there is dignity in labour. If you have to wait on tables, that is an honest living.

When you go to the bank on Friday, the teller does not ask you if your dollar came from waiting on a table, or if it came from a Lawyer's Office, or the Legislative Assembly. If it is legal tender, the teller takes it; it has the same benefits, it offers you the same privilege as that of a person who sits in a three-piece suit in the highest tower overlooking the waterfront in George Town.

So our people need not feel self-conscious if they are waitresses, barmaids, waiters or busboys. What I want to say is that they should not limit their ambition to being that, they should try to rise in the establishment.

I also want to say that what they can do to develop an appreciation of this is to dine out themselves sometimes and get some experience.

My colleague and I, the Second Elected Member for Cayman Brac and Little Cayman, always remark that this country is unique; because this is one of the few places in the Caribbean where people of my colour can go and be waited on by Europeans, who make us understand that they are happy to be tipped by us.

Indeed, the phenomenon is so striking that about a year or two ago we took the eminent Professor Rex Nettleford (from the University of the West Indies) to an establishment. He latched upon it right away. He said it was striking, and that it really had some significance. This is a unique setting in the Caribbean, one of only a few places where we could sit and be waited on by Europeans and not by natives.

I say that to show that our people need not feel self-conscious, and we should try to offer them opportunities, be they formal education-wise, or be they awareness sessions where they can have these kinds of encounters and exchanges, to see that it is not necessarily the worst thing in the world to be employed as a waiter or waitress, nor is it menial work. They are making a meaningful contribution.

I have always been taught that there is dignity in labour. What I would love to see, however, is that the hotels and establishments genuinely provide opportunities for our people to become upwardly mobile where they demonstrate the skills and abilities to be; and, also, that they treat them fairly when it comes time to wages, salaries and gratuities. In spite of all the efforts that have been made, there are still far too many complaints about people feeling shortchanged. People will not have completely pleasant attitudes if they believe they are not getting a fair wage for a fair day's work.

I think the challenge runs both ways. There is a responsibility for the employee to perform willingly, efficiently and fairly. But, by the same token, there is a responsibility for the employer to treat the workers fairly. Let them see and understand that they are being treated fairly, and when they come to question certain practises, explain the methods to them in such a way that they can grasp the reason and rationale.

I know a few of those people from my constituency. They are hardworking, industrious and honest. They sometimes complain to me, and I feel sorry that I am unable to help them in the situations because I know they are telling me the truth, and I know they are being taken advantage of. Owners and employers need to understand that we have accepted them and extended to them genuine Caymanian hospitality; but we do not want them trying to shortchange and exploit our people.

It should be a partnership in which they can realise reasonable returns on their investment; but also a partnership in which those people who work and labour for them can feel they are fairly treated. These employees do not have any share in the venture. All they are getting are the salaries and wages they are working for. Some of them get the bare minimum, the rudiments, the basics, when it comes to things beyond the salary and wage.

I do not think this is for the Government, but it is for the private sector. I think there is room if we are going to continue to be competitive, because the Government is making its efforts known in the area of the Pedro's Castle development, and the National Trust and the Botanical Park. I think that there is a fertile area for the private sector to get into ecotourism projects which seem to be a growing fad now, and by our very tropical nature should offer some scope.

I see the future success of tourism as I stressed earlier, being a partnership between the Government and the private sector, with the Government providing and being responsible for certain things and providing the guidance and philosophy; and the private sector assuming some share of the responsibility particularly when it comes to advertising and public relations. Maybe they would want to work out an arrangement in the Ministry. Of course they say he who pays the piper calls the tune, and it could not be expected that the Government would allow them to call all the tunes, but they could work out some amicable agreement where they could have some input. It would put the Government in a better position where they could have revenue to spend on other things, or to spend more efficiently, even within the same area.

The Speaker: Would this be an opportunity where we could take a short suspension?

Mr. Roy Boddén: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.34 AM

PROCEEDINGS RESUMED AT 12 NOON

The Speaker: The First Elected Member for Boddén Town, continuing the debate on the Throne Speech.

Mr. Roy Boddén: Thank you, Madam Speaker.

In concluding what I have to say regarding tourism and the Tourism Department I want to record my disappointment in the fact that the 10-Year Tourism Plan as put forward by Coopers & Lybrand (and which the last Government left in place) was not adopted. I think it is regrettable

because it is the most comprehensive document I have seen (and I have read a few) regarding the future development of this country. It addressed every important issue, and in not adopting the plan I think we lost a good opportunity, if not some ground, to come to terms with some of the serious problems which challenge us. One is this whole issue of Expatriate versus Caymanian. That plan had a formula, and it was a peoples' plan in that there was wide consultation. A final plan was arrived at as a result of wide consultation by the representatives of Coopers & Lybrand.

I make the observation also that we have to find a way to bridge the gap of continuity between a departing political directorate and a succeeding political directorate. If we have to re-invent the wheel every time we are given a chance to be the political directorate the country will forever suffer and we will forever be swimming against the tide.

I hope there will be some way in which we can implement some of the strategies outlined in that plan because they are so obvious. These problems will not go away, they still need addressing and we need someone with the courage and conviction to tackle some of them once and for all in an effective and sensible way. They should also leave the persons who are affected by the decisions with some understanding and confidence.

As a corollary to this whole business of development, I want to say that I am beginning to become alarmed now at the fear many Caymanians have about the country being sold out. Indeed, the mention of corruption and corrupt practises in its myriad forms are expressed time and again by persons with whom I come in contact; persons from all walks of life, from the humblest, to those most sophisticated and educated. Certainly, from time to time the stories that we read in the newspapers do not allay some of these fears. I think there are legitimate grounds for their concerns.

What happens in the wider world also comes into play. Just this morning I was listening to the BBC news and I heard that ten senior politicians in India had been arrested just yesterday - some anti-corruption bust. But reverting to our situation, what is disconcerting about this is that we are so small, a microcosm in comparison to these other societies. So if and when these situations exist here, the results would be far more devastating than when they occur in a country like the United States, Great Britain, or India.

I was interested in this whole phenomenon years ago, and I am still an omnivorous reader when it comes to these kinds of things, because one day I would like to be in a position where (I might not be an authority, but...) I would have some respected opinions and perhaps I might be so ambitious as to author something in this regard.

I was reading issues of Newsweek Magazine (December 25th, 1995 with January 21st, 1996) and I was struck by an article beginning on page 56 titled 'Graph busters' and it says: **"Around the world newly empowered citizens are rising to bathe the ancient disease of official corruption."** The article is authored by Michael Hirsch who said: **"Corruption is not just a moral problem. Economists and international organisations are beginning to point out the serious damage that corruption can do to economic growth and prosperity. International investment is the lifeblood of many economies and because information travels so quickly, and because reputations can be made and destroyed in a single headline..."**, and he cites

the examples of Nigeria with its rampant corruption and recent hanging of an activist writer.

Michael Hirsch goes on to say, **"Cynics point out that the fight against corruption is as old as the disease itself."** And he says: **"Today, anti-corruption methods are rarely as draconian as some used in the past. One reason the Roman Catholic Church insisted priests remain celibate, some scholars say, was to remove the temptation to seek favours for their families. Like today's methods it did not always work. Hence we have the word "nepotism" because the priests soon favoured their nephews as their heirs. So they still carried on the practice although they had no sons."** So the word nepotism comes from 'nephew' because the priests acquired assets (monies or whatever) and gave them to their nephews.

It would be perfect if we were to remain free of these kinds of allegations and this kind of talk. But unfortunately we are not, and I say again that our very behaviour demands the kind of scrupulousness that takes us away from this kind of thing. Let me say that I am not so naive as to believe that detractors will not always come up and manufacture and fabricate things. What I am saying is that we have a situation in the country where a significant portion of the population is already non-Caymanian; the majority of the investments are made by non-Caymanians, so it is easy to fall into a trap.

It is almost frightening when I hear stories of the type of wealthy people who come to these shores. I would rather 30 different wealthy people came than one super wealthy person. We are walking a tightrope. There is no escaping... the whole controversy over dredging really had its genesis in that kind of stuff. We cannot escape and we, as the Members of this Honourable House, have a tremendous responsibility to our constituents to ensure that we keep ourselves free from any of these kinds of allegations which can be substantiated.

I want to say that many years ago I had the privilege of attending the Maxwell School of Citizenship and Government (as it was called then, now they have changed the name to the Maxwell School of Citizenship and Public Affairs). I remember that one of the first lessons from one Professor was, "Let me tell you what happens in countries; people come in and they target certain people." He went on to explain what he meant by 'targeting' people, and he gave instances of countries like Panama, Nigeria, and some of these other countries. People get picked off and lose their pristine reputations because someone offers them something that they figure they could not get easily. Unfortunately, we have to contend with this kind of thing in Cayman too, and it becomes a moral dilemma as well as an economic dilemma. Whether we accept it or not rumours abound, and we hear them everyday about people being bought, people selling the country. "The country is for sale", some people say.

The dangerous thing is that he who pays the piper calls the tune. It seems that our position here in keeping with trends in the rest of the world since 1995 (according to Michael Hirsch in his article), is that there is an upward trend. The article gives a chart that shows countries on a scale of corruption from zero to 10. It is interesting to note that of the least corrupt are New Zealand, Singapore, Denmark, Italy, Canada, Britain, and the United States. I gather from this article that in those countries there are very stringent obliga-

tions and restrictions on public figures - bureaucrats, as well as elected officials.

We have always to be open and vigilant and to conduct ourselves in a way that is unimpeachable and irrefragable. As difficult as that may seem, that is the goal we have to aim for.

Development in our country entails all aspects and facets of our society, but it is only if we educate our people to the degree where they can partake of what is going on in the society at the levels at which they are comfortable that we are going to have an ideal situation and a society, as the King of Bhutan says, "We have gross national contentment." This leads me conveniently to speak a little bit about Education and the responsibilities of the Government.

I noticed in the Throne Speech that there is going to be continued development in education, both in the physical and of curricula and staffing nature. On page 16 the comment is made about... **"A sewerage treatment plant to serve the Government schools on Walkers Road, as well as the Community College and the Truman Bodden Sports Complex will be built as a matter of priority."** I have to wonder if the building of this plant is not going to detract from other buildings which are needed and which, as stated in the last Budget Address and also in the Throne Speech, are going to be built. I would further comment that had the Dr. Hortor Memorial Hospital with its accompanying sewerage plant been built, how convenient would it have been for these sewerage systems to link into that treatment system at little or no further expense to the Government at this time.

It is my belief that it is the duty and responsibility of any Government in power in this country to provide a first class public education system for all its citizens, be they rich or poor, black, white, or brown.

I believe that education should be the vitality of the nation and, like Napoleon said about the Citizens' Army in France which he started in 1798, it should also be the purification of its morality and the real foundation for all of its habits. I am not sure that what is happening now can fit such a tall order.

It seems to me that there are some people who are labouring to stop the progress of knowledge. To this I would only say: If they think they are going to hold back this progress they are labouring under a delusion. But I am concerned because it has been recognised that the plans which were left (the 5-Year Education Plan) by the last Government had been jettisoned, and we have completely started on a new course.

It had been stated that private schools cater to approximately one-third of the schools population in the Cayman Islands and that this saves the Government \$10 million a year. I noticed that since about the 1970s the Government had one modern high school, and in 1996 - over 20 years later - the Government still has only one modern high school. In the meantime the private sector - which some people feel obligated to subsidize with public funds - has one at the moment and there are plans for two or three more.

The public high school caters to the vast majority of students. One would summarise that of this vast majority of students there are many who cannot afford the high fees charged by the private high school. While I am the first to agree that there is a place for private schools in Cayman and that Government should offer some assistance, I say that

charity begins at home and we should not deprive ourselves; nor should we help them to set up a system with public funds which far exceeds what the Government's system offers. Our first obligation must be to the public school system and to the Government system. So we have to be careful that we do not get the reputation of helping to the extent that we deprive the public school children and those who cannot afford the exclusivity offered by the private schools.

When the National Team Government came into power there was this new Education Plan which called for the establishment of three more high schools including one in Bodden Town. These high schools would have a complement of 500 students which, according to modern educational trends, is regarded as the complement of students for an effective and efficient high school system. Even in the inner cities of the United States there is a move towards breaking up the large high schools in terms of making the numbers smaller so that they are more manageable and so that there are fewer problems - behavioral, confrontational, social, you name it - and the budget for the schools can be easily regulated.

We had a plan which was jettisoned... and I thought that there were only four horsemen of the Apocalypse, but it seems that there is a fifth one, because the Minister for Education threw that plan out. He destroyed it. Now we graduate 250 to 300 students per year from the Government High School. It was stated that last year of that 250 to 300 students, 17 had academic scholarships.

I am often described by that Minister as defunct, but I want to tell him something: If he had sought my advice I could have told him that 17 out of 250 is not nearly a high enough percentage. There should have been about 20 to 30 of those students on academic scholarships from a good system. Of that 17, it is not clear how many, if any, came from private schools, thus compounding the problem.

The true measure of a good system is one which can take an average student and make him/her bright, and take a poor student and make him/her average. In a system where 300 students graduate... in my books anything less than 30 able to qualify for academic scholarships would not be good enough.

I do not know how all of the things mentioned to be done in education are going to be done, given the resources that we have. I see that the George Hicks High School is supposed to have additional classrooms; there was supposed to be the continuing physical development of the Red Bay Primary school in addition to other smaller projects. Now in the Throne Speech there is mention made of the establishment of a new library and media centre at the Community College, and a new primary school in West Bay and, of course, the addition to the expansion of the Savannah Primary School and the Infant Block at the Creek Primary School.

I am led to believe that some of these developments will never take place by virtue of the fact that the time line is upon us. Then there is a question of cost. I am concerned too, because if we do not keep up with education our people will never benefit from the economic development which the country is experiencing.

I noticed from a question asked in a previous session that while it is true the Government helped (and helped generously) the private schools, the help given by way of financial assistance to the International College of the Cay-

man Islands was significantly less. I wonder what is the reason for this lack of generosity? Certainly if the excuse is the fact that the International College is a competitor of the Community College, so are some of the private schools competitors of the Government school system.

Then, too, there has been no move to incorporate sections in our Education Law which would relate to private schools and their establishments. How can we have a system where some people exist outside of the system? I have made this point before and the point bears repeating. I think that it is high time that we review the Education Law. It is an old law and it can be made more efficient and more applicable.

For example, I have difficulty with the Minister being the Chairman of the Education Council. The Minister in any Ministry should be in an impersonal position when dealing with people who come to the Ministry to make complaints. He/she should be in a position where they are the last court of appeal. That is the modern trend in public management and public administration. To be otherwise is to put oneself in a position where one risks criticism for being partial or for being in favour of an individual or a particular situation.

Unless we get a better education system, unless we find time to get on with the job, our people will never catch up. I think that we should focus more of our efforts on computers and what they can do to enhance learning in our classrooms. I said previously in this Chamber that we should seek to enter the field of computer assisted instruction. It is a fertile field which would enable us to develop classroom skills in our students giving them the confidence they need when they enter the world of work to be familiar and knowledgeable with the computer and all the things the computer has to offer. This would also enable us to link up with the outside world without leaving the Cayman Islands.

I read about schools in New York being linked up with schools in Los Angeles, London, Germany, Munich and Bon, through the Internet. Madam Speaker, this is not expensive...

(some Members: laughter)

Mr. Roy Bodden: I hear people laughing. Well, I do not know what the source of their laughter is about, whether it is what I said or their lack of understating of what I am saying. People are beginning to say that if developments continue, in a few years books as we know them will not be the kinds that we are used to because we will be able to have the whole Encyclopedia Britannica on CD-Rom.

I get the impression from the comments and the grunts that hear, that some people thought I would have stood up here and thrown bouquets and laurels. I throw bouquets and laurels when they are due, but I have a reputation for speaking my mind and speaking the truth. If the truth hurts, then I bear no responsibility for those who suffer pain. Perhaps they would do well to bear their pain in silence because the sadist in me, when I hear them squeal and holler, will only prod me to give them more pain.

We cannot get away from the fact that more could have been done. Less effort should have been spent on destroying the foundation that was laid. There are numerous similar exercises where the infrastructure and foundation was left in place was dismantled in favour of something else. Now, with November around the corner, the Government

should realise that it has to play catch-up and increase the pace.

I believe that the future of this country lies in the kind of education system which allows every child, not only those who are privileged to go to private schools, but every child, to develop to the extent that they can benefit from what is happening in the Cayman Islands economically.

When it comes to Health Services we suffer a similar fate: complete dismantling and a reversal of the infrastructure and foundation that was laid. We are still talking about a hospital while people are inconvenienced and suffering. I wonder when we are going to be in a position to say that we have a modern hospital and an up-to-date health services?

I want to say that we are continually challenged by the problems of drug abuse and rehabilitation. I wish that there was some way we could get it across to our people in far greater numbers and with far greater effect than we are doing now in spite of the efforts being made, that drugs are destroying them. I do not know because sometimes it seems that it is a hopeless cause.

Just last evening as I was driving home, I stopped by the Post Office in Bodden Town to check my mailbox. There was a gathering of children (I would say if they were not primary school age they certainly were middle school age, but they were not beyond the middle school age) sitting down in a group of boys and girls older than they were. I stopped and said, 'Excuse me, have you no homework? Have no place to go? Why are you not at home?' Madam Speaker, the kind of answer I got is the kind of answer I could not repeat in these hallowed Chambers. People near the congregation spot had been telling me of this, and I had noticed it, but that was the first time that I attempted to engage them in conversation. People who go to use the telephones in the call boxes are disturbed and taunted by them. Some of them I noticed riding around with machetes stuck on the back of their bicycles.

There is a general realisation of hopelessness because it seems that the police are ineffective in dealing with them. These were juveniles, and that is an indication of what is to come!

Yesterday afternoon a gentleman told me that at three o'clock in the afternoon he saw one of them in the company of some known drug dealers walking up Walkers Road - at three o'clock in the afternoon! The gentleman told me that he could almost guarantee that wherever they were going and whatever they were up to, it was no good. I found out that the little ones are used as mules and peddlers by the older ones because they are told, 'Listen, if the police catch you, they can't do you anything.' We have to find a way to stop that if our efforts are going to be productive.

I am familiar with what is done, and we are making some progress. But it seems to me that to wipe out this scourge we almost have to deal on a one-to-one basis and go out like the Jehovah's Witnesses - knock on the doors and request to be invited inside, if you call them to the Town Halls they will not come, if you call them to the Civic Centres they will not come, if you call them to the Church they will not come. God knows we cannot afford that expense of operating on a one-to-one basis. It is most discouraging.

I suppose that many people, cynics and people who want to explain away, say that it is the price we have to pay for progress. Well, I do not think it is good enough to say that

we have to accept that and give up on the problem. While it is true that a certain amount of it is due to progress, I think that all of us have a moral obligation and responsibility. I have to concede that for all of the faults of the Government, we will not be able to solve the problems if, when the Government puts infrastructure in place, it is not being used, or the people who are affected do not come forward. I think we need a moral awakening in the country.

As representatives there are those of us who try to go out of our way, but we cannot take all of our time, as sympathetic as we are and as much as we would like to hold the hands of the people, because it would mean that others are going to be neglected. But I wonder about the kind of future we are going to have in Bodden Town and other places if some of these people do not come forward, or if we do not reach them and try to rescue them.

I noticed in the Throne Speech that mention was made of converting the Town Halls of some districts into district libraries. There was an omission of any district library for Bodden Town, yet I recall a request being made to consider the conversion of the old clinic into some kind of library-cum-resource centre. I hope that the omission does not mean that no consideration is being given but, rather, that in this case it means reference was being made to the Town Halls. I believe that if we have a little library-cum-resource centre we might be able to attract some of these young people who congregate in the evenings across from the Post Office, particularly if we can get a few computers. We can lure them in under the pretext that they can play some computer games. I would be prepared to help in whatever capacity I can; indeed, I have spoken to some persons who said that they would be prepared to help in the acquisition of some computers once we get a place where we could use them adequately and effectively.

While I am on this note talking about problems in the community and young persons and the family, I want also to say that I am very concerned about the breakdown of families in this country. Just a few days ago I was talking to a Marriage Officer who told me that he has discontinued the practice of asking someone after their spouse because he is discouraged by the number of times he has been told, "Well, we broke up two years ago, three years ago, a year ago, four years ago."

I notice that in Michigan, in the United States... I was viewing a programme rather recently and there is a great outcry now for the authorities to make it more difficult for people to dissolve unions especially where children are involved. It was most fascinating. When children are involved, particularly if they are at a young and malleable age, and their parents go to court they are invariably never granted a dissolution. The court recommends that they go and seek counselling, sometimes up to as long as three years; and if there is no amelioration then they go to court again, and the court suggests another route. So now there is a move to seriously view the dissolution of unions with greater care.

The commentator was saying that Michigan is the leading state in that practice, but other states within the United States are following suit because it is realised that many of the problems of the inner cities have their origin in the fact that families have broken down and that some of these problems could be alleviated if both parents were working towards the upbringing of the children. I hope that this kind of move would be contagious, infectious, and would

spread worldwide even to our little country of the Cayman Islands. It seems to me that in far too many cases enough effort is not made to salvage families. People approach disbandment with an almost cavalier disregard even when young children are involved.

The Speaker: Would this be a convenient time to take the luncheon suspension?

Mr. Roy Bodden: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended until 2.30 p.m.

PROCEEDINGS SUSPENDED AT 12.52 PM

PROCEEDINGS RESUMED AT 2.43 PM

The Speaker: Please be seated.

The First Elected Member for Sodden Town, continuing the debate.

Mr. Roy Bodden: Thank you, Madam Speaker.

When we took the lunch break I was talking about the breakdown of family structures in the community. I wish to make the point that with the evidence that I as an amateur have been able to gather it is my observation that the problem stems from a breakdown in relationships, a lack of respect and an inability or a reluctance to accord respect and to reciprocate. It is a pity that we do not have available to us any formal opportunities for learning about this. But I also want to say that this whole business of lack of respect is not only limited or confined to outside of this Parliament or to families, I think that much of it happens inside of here too.

It seems that there is need for much improvement in the relationship between those people who find themselves in the Governing positions and those of us who find ourselves on the other side - particularly the Opposition. Really, I cannot understand, it is absolutely mind-boggling to me the lack of respect and the lack of sense of protocol that exists. It is unfortunate that the Chamber is not full because I think that this is something that everyone should hear.

Recently, the Minister for Education and Planning made a visit to one of the schools in my constituency to perform a ceremony, I think it was opening an art room. I only learned about the visit when I read it in the newspaper a day or so immediately following. By sheer coincidence one of the classes at the school invited me to give a little talk about how the Government of the Cayman Islands is structured. When I went to the school the principal, with whom I am acquainted by virtue of the fact that when I was principal many years ago she taught under me, asked me why was it that I had not bothered to attend this ceremony. I told her the reason why I did not attend was because, first of all, I did not know about it, and because I was not invited and I only read about it a day or so afterwards in the newspaper.

That is not by any means an isolated incident, but I want to say that there is virtually no other place in the civilised world where a situation like that would happen. Persons do not have to love me personally, I have my family for that. But certainly the position I hold in trust for the people deserves some respect, and protocol would demand that if someone is visiting my constituency or the constituency of which I am the First Elected Member, that I would be given

the opportunity, or certainly notified. It happens with other Members too. My colleague, the Second Elected Member for Cayman Brac and Little Cayman, suffers similar fate.

I come back to the point that relationships in the broader community cannot be expected to be better if this is the kind of relationship existing among leaders of the country's Parliament. I would hope that if the shoe were on the other foot I would not be so narrow-minded or so insular, or feel so threatened.

To revert to the complaints I hear about the breakdown of families, many of them emanate from a similar lack of respect between one or both mates. Common courtesy (as my mother used to call these things) and decorum dictates that we communicate at certain levels with each other. Sometimes we as the leaders can but lament the breakdown in the wider society because in our positions we do not set any examples worthy of following.

It concerns me, though, and I hope that we can find the fortitude and the formula to reverse the breakdown in our society, otherwise we will be confronted with the same kind of problems that the inner cities of the United States and other countries are confronted with - rebellious, disenfranchised and alienated youths.

I want to make a few brief comments on the Ministry of Agriculture, Environment, Communications and Works. That Ministry, like the others, has its challenges to face, the most obvious being the necessity to come to grips with a sensible road system throughout Grand Cayman. I would say that time is of the essence seeing that we are developing all of the time, and lands which could be used for corridors and roads are being developed at a rapid rate and the cost of building roads no doubt increases year by year. Every year we import additional automobiles. Time is of the essence for us to provide a realistic solution.

We are challenged, too, by the need to arrive at sensible policies and programmes to protect the environment while being in a position to satisfy the demand for greater and greater physical development.

We are only holding our positions and the resources of this country in trust for future generations. It is important that we remember this when we make decisions and when we are confronted with choices. There is now a growing consciousness about protection and conservation of the environment. I heard as recently as one day this week, people saying you cannot eat conservation.' If we destroy or upset the balance of nature too radically, we will be confronted with problems greater than we can solve easily. There are those of us, myself included, who believe that the outbreak of such things as the Ebola virus, and Marburg virus are really not purely accidental, but is nature's way of telling us 'Hey, you are upsetting the balance'.

I want to say that we have an obligation to develop, but to develop sensibly taking into consideration the fact that we are only the trustees for future Caymanians. Those of us who argued in favour of the establishment of an Environmental Impact Study said that we favour a protection and conservation unit; we believe it has its place, and we would encourage the Government to work on this department.

The Public Works Department continues to struggle to satisfy all, including persons like myself, who make requests and demands through the Ministry. I think that they do well, but I am not saying that their services could not be improved. I expressed gratitude to those who work conscientiously,

and it is purely coincidental that I see them now in my constituency improving the road shoulders and in some cases widening the roads. Heaven knows it was desperately needed and it will certainly make it safer for pedestrians, and for those who drive it will give them a bit more maneuvering room. I hope that we can find a way to be more efficient and able, within our means and resources, to achieve a greater level of satisfaction - although some people still complain that there is far too much extravagance and waste.

I want to deal now with page 22 of the Throne Speech and talk a little about the Ministry of Youth. I want to begin by making the observation that I have noticed many of the functions and services previously handled by the Social Services Department are now emanating directly from the Ministry. I want to express concern with this practice and say that it is somewhat a departure from what has been the practice in the past, where financial assistance came directly through the Social Services Department.

I want to make the point again that there is a need for an obvious separation of the position of the Minister from other units which can dispense with these kinds of functions and assistance. It would be in keeping with what I call an impersonal relationship; one way of avoiding a catalogue of controversy, suspicion, and accusation. Importantly, in an election year there are bound to be hints and aspersions. This is not to say that anything untoward is happening or will happen, it is just sometimes better for the areas to be black and white, especially as this was the case in the past.

I lay down the challenge, and I do not know from whence the answer will come, but I would expect to hear the reason and rationale for this change from past practice.

Recently there has been a flurry of activity regarding sports and sports facilities. I think that the country has always had a certain level of sports-mindedness and we are doing well. I see that certain organised sports like football and basketball are holding the interest of our youth. Softball, too, has been experiencing exponential growth (and the popularity among some of the young people exceeds my imagination), even though I remember years ago, shortly after the Cuban Revolution when we were a transient point for refugees on the way to Miami, baseball was a popular sport. I remember playing myself against some of the teams, including a team which was composed entirely of Cubans. So I think we have arrived at the point now where we need more programmes in place.

I want to say that I had hoped that the onus for these programmes would not have had to come from the Government, but I am satisfied that the Government is going to have to spearhead the effort because, for whatever reason, the support in some communities for some sports is not as forthcoming as it should be. I would hope that the private sector would also, to a greater extent, rally to help the Government.

There have been some successes but there is room for improvement. I would like to take a moment to express appreciation to some people who helped in a little organisation which I spearheaded some years ago in Bodden Town. Persons like Coach Gilley Seymour, Neil Prendegrast and Mr. Azzis, who gave of their time to help with our football club (which I stand here proudly to say I have a team in the Second Division). We have an Under-19 Team, an Under-16 Team and an Under-14 Team, roughly 100 youngsters in a football programme in Bodden Town. We get some help from

a corporate sponsor, Kentucky Fried Chicken, we get some help from the Government by way of uniforms, but much of the expenses also have to be defrayed by other people, including yours truly, because we try to inculcate the philosophy where we do not expect charity to provide everything. I do not believe this organisation is unique, but what is unique is the level and the kind of organisation we have, because our organisation, I am told, has been looked at as a model for the Football Association to encourage other football teams to emanate.

I think that we make certain demands on Government for facilities, but when the Government provides the facilities the people in the community, including the parents, have to make some effort to see that the facilities are being utilised and that there are people who are capable of supporting the programmes. So I would hope that in the next little while, to complement the facilities that we have, the Government could find some way of encouraging and helping with the various programmes in the districts.

I have thought that one of the ways in which the Government could really help motivate and send a clear message is to try to identify persons who have skills to offer, like Gilley Seymour, and send them away either on secondment or on brief stints of training, perhaps three months at a time, until they have reached a level of expertise where they could quite comfortably and realistically be given the responsibility to start these things in the communities. I know some years ago that is how the Ministry of Youth and Sports started in Jamaica. I believe we have many potential athletes and from time to time we read of their performance and witness their performances in the newspaper and otherwise.

I believe that we can go a long way towards providing constructive activities, but the focus should now be on programmes. Again, in all fairness to the Government, I do not think that we can expect the Government to be the 'be all and the end all', putting unreasonable demands on them. We should try to help however and wherever we can.

But, again, I noticed some experiences in Bodden Town where the parents for the most part abnegate their share of responsibility and some of them do not even come out to see their children play and encourage them. This is a pity and is really unfortunate. Sometimes it is no wonder that we do not achieve more success than we do, because winning is certainly not everything. How nice it would be for a youngster to see his mom and dad out there cheering him on when he is playing a game - even if he does not win a gold medal or come first - just cheering him on. Then, at the end of the game, they could go up to him and say, 'Good effort son, next time try a little harder.' I mean we as the coaches and as the founders of the programmes do that, and can do that, but it does not have the same effect if their mom or dad did it.

So the responsibility lies beyond the Government and it is unfair (even though I am the greatest critic the Government has) for us to expect the Government to provide the facilities and then come and cheer on the players too. Really, they have other responsibilities.

I think that when all is said and done we still have some way to go. We will only achieve success and continued prominence if we find ways to narrow the differences, ways to improve relationships and to place less importance on who is what. Believe you me, it does not significantly matter who is Government and who is Opposition - if the Cayman

Islands suffers, we all suffer. It does not matter who is Government and who is Opposition if we lose our good name and reputation. What matters is not winning or losing an election, it is not being an opposition of two (as I am frequently reminded in this chamber), or three (as I am corrected); but what matters is all of us pulling our weight, helping each other and being responsible for developing the best Cayman Islands that we know how. It is unfortunate, but it is a reality of life that sometimes brings out the best we have to endure criticism, and sometimes criticism which is not constructive. I make no apologies for any criticism that I make. I would only footnote it by saying that whenever I criticise it is given with the best of intention in the hope that it will improve the performance of the entity or individual whom I am criticising.

Thank you, Madam Speaker.

The Speaker: The Third Elected Member for Bodden Town.

Miss Heather D. Bodden: Thank you, Madam Speaker.

I rise to offer my contribution to the debate on the Throne Speech delivered by His Excellency the Governor. I am very pleased and honoured that the people of Bodden Town have made it possible for me to be one of their representatives in the House and to make my contribution.

The speech given by His Excellency outlines the projects that will shape not just our economy, but our lives in the community in the coming years. There is ample material for lengthy debate and discussion, however, I will limit my comments to those points which I feel are the most critical and important to me. Perhaps one day I will become long-winded, but for the time being I will stay short and to the point.

First I would like to state that it is reassuring to see so much progress being made on so many fronts and to see concrete plans outlined on so many issues. These plans certainly indicate that much action is in the works. As we move forward we must be certain that we are taking a long-term view before taking short-term action. Our vision must always include the intangibles, we must not measure quality of life with an economic yard-stick. We must not forget the importance of family and spiritual development. When we talk about progress we must strive for harmony that reigns in a society where no one feels forgotten.

The programmes put forward by the Ministry for Community Development appear to be well-rounded including the areas of culture and sports. Nevertheless, I believe the findings of the Family Study and subsequent Crime Survey hold the key to our solutions on how best to help the youth of today and conserve the integrity of the family.

While I appreciate that most Caymanians enjoy a high standard of living, I am amazed how many people in my district are still in need. There are many who are helpless, and some who could help themselves but for whatever reasons are not able. This issue needs attention, and I look forward to taking a closer look at the restructuring of the Social Services Department as it relates to the problems in my district.

On the subject of development, we as a community encourage growth. However, growth purely for the sake of growth can lead to negative consequences down the road. We must not fail to consider the consequences for tomorrow of the actions we are taking today. We are already feeling

the strain of rapid growth on our roads, our environment, and our human resources.

Cayman is a very small place with lots of talented and ambitious people in a hurry to enjoy the fruits of our economic development. We need to have a plan in place to manage this growth. We must avoid being reactive as has been done so often in the past. One of my key concerns relating to managing growth is our level of commitment to protecting our environment.

Cayman is a tiny place with some 33,000 residents, and yet our environment and our infrastructure have to handle over a million people a year. This puts a strain on all of our resources. At the current rate of growth, it is projected that our landfill area for garbage disposal will be full to capacity in six years. I encourage Government and the Department of Environment to strengthen our recycling programmes and to increase efforts to educate the public on the importance of adhering to the programmes as they are put in place. We need a long-- term plan for dealing with this critical issue.

I am very delighted to see that tourism is showing tremendous growth so far this year with an 18% increase recorded in January. While I recognise the important contribution this sector makes to our economy, it too impacts on our environment and our infrastructure, once again calling for managed growth. Hopefully our people will agree with the Tourism Management Plan and make certain that growth in this sector is managed in such a way as to protect the delicate balance of our environment.

I strongly encourage educational programmes that teach both our residents and our visitors how to protect Cayman's natural resources. It is my understanding that there is discussion about the need to educate our people as to the importance of tourism to our economy. I strongly believe that we need an educational programme in this area. Cayman promotes itself abroad as a friendly and welcoming destination. However, sometimes, for whatever reasons, our people do not always present themselves in this way. We must learn to keep the welcome mat brushed off, standing ready for our visitors from abroad since they play a very important part in our livelihood.

People come to our islands because they feel safe and welcome. We must all do our part to ensure that these visitors enjoy their stay and return. After all, they come here for the most part with abundant goodwill and a desire to enjoy their interactions with our people.

We must also encourage our young people to take pride in the fact that we have a strong and flourishing service economy. It is important that they respect those who work in the service sector because our welfare depends on tourism and hospitality revenues.

As for tourism products, I am pleased that we will see a number of new attractions coming on line this year, such as Pedro's Castle and additions to the Botanic Park. These new heritage and land attractions will make our islands attractive to a broader market and give tourists a truly cultural experience.

It is also very encouraging to see that Cayman Airways is seeing much improvement in its activities. The addition of the Orlando gateway will bring additional visitors to Cayman and dollars to the National Carrier.

On the issue of security in our islands, I commend Commissioner Anthony Grey for his move to civilianise a

number of non-operational police posts. As a result we are seeing more police officers in operational duties. I have seen where this increased level of enforcement has already had a positive effect in the community, especially with respect to traffic violations. Residents are enjoying the added benefits of a higher degree of security for their families and their property. However, these islands, as small as they are, continue to be plagued with too many drug users and drug traffickers. It is my hope that these officers will take a very tough stance on this issue and put the fear of God in these criminals.

On the issue of roads, I note that over the years we have spent much money improving the shoulders of the main road through Bodden Town. What I would like to see for my people are road improvements that will make it easier for people to get to and from their homes. This is particularly critical during the rainy season when water settles and aggravates the problem on these smaller roads. We urge Government to spend more money on these interior roads leading to homes.

Regarding youth development, I have noted that the prime time for our youth to get into trouble is during the after school hours, before their parents come home from work. The Ministry for Community Development has been actively addressing this problem. I plan to get more involved in my ongoing commitment to youth development.

I will be approaching the Minister about setting up an after school programme for the district of Bodden Town, for which I will also be making an appeal to the young parents for their assistance, as I believe this is very much needed in Bodden Town.

Finally, I would like to state that I am proud to be a Member of the House and a part of the Legislative process. I aim to make a valuable contribution to the welfare of these islands and I look forward to working with all of you to this end. I really appreciate the work the Honourable Anthony Eden has accomplished in Bodden Town with his leadership. Certainly, we have more to do and, with my assistance now, we can accomplish more.

Thank you, Madam Speaker.

[pause]

Mr. John D. Jefferson, Jr: Madam Speaker, I think this would be a good time to take our break.

The Speaker: The Elected Member for North Side.

Mrs. Edna M. Moyle: Thank you, Madam Speaker.

After the Throne Speech was delivered by His Excellency the Governor, I heard remarks like, "This is an election year", and then, "Not during this meeting, but during the June Meeting we will start the campaign." But, somehow, I think the campaign has started in this meeting, and I guess I might as well join the line.

I would like to thank His Excellency the Governor for his first Throne Speech delivered in this Honourable House. I think it was a very good speech and it speaks for itself. Perhaps the delay in people standing up to speak is because they are finding it hard to rebut the speech.

In making my contribution I would like to speak on the Throne Speech section by section. First of all, I would like to congratulate His Excellency for the comment he made

in the introduction of his Speech, where he says: **"In a nation state, Government has a duty to the citizens. It has a duty to provide the services, to maintain law and order, ensure care for all and offer education and training for the people. Teachers, nurses, police officers and other civil servants provide the services for the community. But they alone cannot educate your child, care for your sick or elderly or maintain the discipline needed for a well ordered society. Our forefathers shared in these duties knowing that they had a responsibility for the good of their families and their community."** Those words are very strong.

Being one of the older members in this Parliament, I am well aware of the care that was given to the sick and the elderly, and of the efforts parents made to provide education for their children, not depending upon anyone to assist. It would be my dream for these islands to return to that sort of care and a dedication to the education of our children. But these are the things that come with progress, and we must accept that when our sick and our elderly are not cared for and maintained, disciplining of our children is no longer there. Some parents (and I must say, I do not think it is the majority in our islands) are not worried about the education of their children. This is where the Government will have to take a stand. We must offer every child in this country the opportunity to move up in their education. That provision must be made for them.

The other paragraph in the introduction of the Throne Speech that I would like to mention is: **"As the Legislative Assembly convenes today to make laws and policies to further the progress of this nation, let us not forget that while Government has a responsibility to the people we also have a responsibility to ourselves, our families and the communities in which we live. Government alone cannot safeguard the future of these islands. We must all take responsibility for that task."**

I was in the common room when the First Elected Member for Bodden Town was speaking on the behaviour of the young people of our country, how they are riding on bicycles with machetes pushed into their clothes somehow. I think I heard the remark that, "it was not to chop bush." I think this is where we as legislators and members of our community have a responsibility. Rather than standing on the floor of this House making comments which now make these children believe that they are macho boys and girls, we must stop and talk to them and find out the reasons. Let us show our community spirit and our community involvement in helping the youth of the Cayman Islands.

I will now turn to the Portfolio of Internal and External Affairs. I note with interest that there is now a committee in place that is reviewing the General Orders, the Public Service Commission and Regulations of the Civil Service. I hope that at the end of this exercise some recommendation will be made in regard to civil servants holding posts called 'personal to holder', who have held these positions for many, many years, and who have reached the top of the salary scale for that position. There are no recommendations being put forward to increase these salary scales, but those persons stay in those posts year after year without any increase until there is an increase for the entire Civil Service.

These people are very loyal civil servants in that they know that they are filling a position that is personal to them, but they continue to arrive at work before 8.30 am and

they continue to remain there until after 5 o'clock, but they are going nowhere. We are no longer a responsible Government when these people are allowed to continue as they are because they are going to become disillusioned and leave these jobs, leaving the Civil Service without very good workers.

As I have said in this Parliament on one or two other occasions since being elected, I am greatly concerned over what is happening in the Civil Service with our young people going overseas, returning trained in a specific area (whether that area be the medical field or the financial field), reaching the top of their salary scale and there being nowhere else for them to go. For them to be able to advance financially they must ask for a transfer to another department which has nothing whatsoever to do with the field in which they have been trained.

It is stupidity for us to send our young people overseas to train them in specific areas then when they return and work for some years they get to where they can go no further and that training is lost. I feel that what we must do is look at the situation very carefully with a view to providing specific salary scales for these people, sending them overseas for refresher courses (advancement in their own field) rather than being transferred to another field.

As I said in this Chamber in my debate on the Budget Address (I think it was), the other problem with young Caymanians going overseas and returning qualified is that they come back with their Business Administration degrees, their Masters in Business Administration, or Bachelor of Science, whatever it is, and they are put in posts at an Executive Officer's salary scale. These young people have spent many hours, many years, getting a professional qualification and they must be recognised in their own country by being put in a salary scale equivalent to their qualifications.

If this is not addressed in the very near future, the Civil Service, in my opinion, is going to suffer a severe brain drain because these young people are going to move on; they are going to be offered better jobs at better pay. Whether we want to admit it or not, better pay is one of the main reasons why these young people have gone overseas to further their education. They are loyal civil servants, and I am certain they would like to remain in the Civil Service, but with the cost of living in this country whether it be for an apartment, for food or whatever it is, these young people are going to look for better salaries.

The old days of the civil servant standing by and being loyal, spending his 30 or 35 years in the Service (and at the end he gets his pension) are long gone. Until we can show these young people some appreciation for their going overseas to improve themselves educationally, coming back here with a profession to take up their rightful places in this country, we will not keep them in the Civil Service.

I am not just talking off the top of my head, I think we have had this happen in the Audit Department on one or two occasions. I think we have had it happen in the Computer Services Department, and other departments of Government. So it is a real problem and it must be addressed.

I will now turn to the Royal Cayman Islands Police. I, too, would like to join other Members in extending my appreciation to the new Commissioner, and to congratulate him on the drive to improve and develop community relations in order to enhance public confidence in our police force. I feel that the programme which the Commissioner of Police has

put in place is needed, as the public's respect for the Royal Cayman Islands Police Force was very low at the time when the new Commissioner took over. I would like to wish him every success in his venture to gain back the respect of the public as far as the police force is concerned. I can promise him that whatever I can do as a legislator to help him in this venture, I am prepared to do.

In one breath I am praising the Commissioner of Police and, in the next I am a bit disappointed that in this Throne Speech there is no mention of the provision for a police officer in the outer districts such as Bodden Town, North Side and East End at least 24 hours a day. If they cannot give us 24 hour a day service, at least give us a visible officer 12 hours a day.

On numerous occasions I have had reason to call the North Side Police Station and I get no answer. I am put through to the Bodden Town Station, and I get no answer, and then I am put through to the central Station. In this day and age with the increase of drug usage, and as we have seen in the area of Rum Point just recently, the drop off of tremendous amounts of drugs, I think it is now a priority to give the outer districts a 24 hour police officer or the visibility of a police officer at all times.

I know we have heard the argument in this Legislative Assembly that to provide a 24 hour service there will be a need for eight police officers for each district. Perhaps this is correct. They are the experts, I am not. But I find it hard to believe. I hope that the Governor, together with the Commissioner of Police, will see that the outer districts are given proper policing.

I am proud to see that the School Liaison Programme will be introduced in 1996, because I think we need to get back to where our children realise that a police officer is their friend and not their enemy. You will hear kids saying, "Oh, the policeman does not care for me." Where these kids are getting this from I do not know. I think that the School Liaison Programme will improve the relationship between the police and the children of the Cayman Islands.

I will now touch briefly on the Prison Department. I am very happy to see that security at Northward Prison will be carefully maintained and that staff and inmate training and welfare programmes will remain high priorities during 1996. I am exceptionally pleased to read that a sentence planning programme for each prisoner will start shortly. This is aimed at improving their chances for a more positive future upon release, the objective being that all inmates will be given meaningful work and activities.

This is a much needed programme because we have provided the services in Northward (that is, the Government) where these inmates who choose to further their education are given this opportunity. But I think it is a waste of money and time unless there is some programme in place so that when these unfortunate persons leave that compound they can secure employment and find themselves back into society and not be rejected.

We can set in place many programmes in Northward Prison as we can afford, or as we would like to. But until there is an education of the general public that these persons have paid their debt, many people will be hurt by their actions and will not want to accept them back into society. As a Government we have a part to play in educating the general public to accept them and give them a fair chance to come back into the society.

I note that counselling, including drug counselling, continues on a larger scale. This is very much needed because I believe I am correct in saying that over 50 per cent of the inmates in Northward Prison are probably there on some drug related charges. I have advocated for many years (even before coming to these hallowed chambers as a representative) that while we put a lot of effort into arresting the users of drugs we must deal with the suppliers of these illegal drugs in our country. These people are arrested on numerous occasions, we do not hear anything about them going to court. We will read it in the newspaper and know that they are back on the street. I think the new Head of the Drug Squad has made it his duty to concentrate on trying to capture the illicit suppliers of this killer in the Cayman Islands.

Numerous homes have been wrecked because of these people who supply drugs. They have no regard for law and order, or for the pain that they are bringing upon the young people of the Cayman Islands and the parents of those young people. I think this Government has tried its best in every way to address the problems of drugs. More of us should get involved and become community spirited.

I am not boasting in saying this, but for a number of years I have tried my best to have some of the users of illicit drugs live with me to try to curb their habit. This is what we should be doing, instead of making bold statements that we must write off an entire generation to the use of drugs. That statement will go down in history, particularly in the hearts of the mothers of these children in these islands.

Instead of trying to do something to alleviate that burden on those parents we are saying, "write them off." Had these children been our children would we make such stupid and bold statements? I say no!

Hon. W. McKeever Bush: Madam Speaker, I would like to call your attention the fact that there is no quorum in the House.

The Speaker: Serjeant-at-Arms would you please check and see where the other Members are?

Hon. W. McKeever Bush: I was hoping that this would be a good time to break. That is why I called your attention to it.

(Members' laughter)

Mr. Roy Bodden: The evening is far gone, but I say continue, Ma'am.

The Speaker: I think we can continue without a break. Anyone who wishes to go outside can do so.

Please continue, Member for North Side.

Mrs. Edna M. Moyle: The next section that I will touch on briefly is the Department of Immigration. His Excellency the Governor made a very strong statement in the first paragraph under this department. I read: "**I am determined that these islands will not be a stopping place nor a haven for economic migrants.**"

Had we someone at the helm when we had the influx of Cuban refugees making such a strong statement, perhaps this country would not have been brought almost to the brink of financial ruin.

I hope I will not be called out of order if I dare go into the Department of Immigration. I, for one, have no further authority in dealing with civil servants other than to vote salaries, and I do not intend to deal with it any other way.

I hope that I will not hear that the lack of administration in that department and the low morale of the civil servants working there is because the Heads of the Department are dealing with the Cuban refugees. It is time to put that problem behind us and let us now get on and deal with the actual problems of the immigration situation in this country.

Just this morning I was glancing through the classified advertisements in the newspaper. There were one or two ads that actually jumped out at me. Perhaps I will be told that this is not the duty of the Immigration Department, but I feel that it is, because when an application is made there is a process this application has to go through. It has to go to someone at the Immigration Department with all its attachments - the advertisement attached, letters, et cetera.

We must be more vigilant. One, in particular, says: **"Christian Youth Worker, With a love for children and young people. Good interpersonal relationship, willingness to get along well with others and an ability to offer basic counselling. College degree and computer skills necessary."** Now, if I were in that department clearing these applications to go before the Board, this would jump out at me right away. There is someone already in mind for this position. It is so hurtful when one says, 'Christian Youth Worker' and one is prepared to circumvent the laws to bring in someone that is not a Caymanian.

The other one says: **"Chicken Chicken/Shift Supervisor"**, and goes on to say: **"Qualified Caymanians are encouraged to apply for the position of Shift Supervisor. Enthusiastic person with good communication skills and several years of restaurant management, and computer experience need only apply. Some college level education and demonstrated skills needed."** How many of our young people who took it upon themselves to leave this island, who, coming from close-knit families, went out into that big wide world to a university and worked four years for a degree, are going to come back and be a shift supervisor to operate a cash register and set up a shift roster?

The third and last one, which is the best of all, says: **"Prior to the application for a work permit, applications are invited from suitable qualified Caymanians for the position of superintendent. The successful candidate will have a minimum of 15 years experience in supervisory level and be capable of working with a minimum of supervision."** Superintendent of what? The police? The churches? The superintendent of the schools? Superintendent of what? We are not even being told, because in my belief there is someone waiting in the wings. No Caymanian is going to apply. We will be told 'no Caymanians applied, therefore we need a work permit.'

These are the things that the Immigration Department must be more vigilant about, because I do not even know if these advertisements are copied and handed to members of the Board prior to their meetings.

District Administration: I, too, would like to commend the Governor for taking the initiative to convene an Executive Council meeting in Cayman Brac - the first in 25 years. He has stated that he intends to hold further meetings there in 1996. Perhaps it would be a good idea to once again hold a

meeting of this Parliament in Cayman Brac, to let our Sister Islands know that we do believe that they are a part of us.

I, too, would like to say to the people of the Sister Islands that they have one way about them (for the lack of a better word right now) that I have always admired and which is lacking in Grand Cayman. They know their needs, but they are prepared to help themselves; they do not wait for the Government to hand them everything. I am proud of the people of the Sister Islands. It would be a good thing if we as legislators could instill in our people here in Grand Cayman that they can do some of the things that the people of the Sister Islands do for themselves.

I am proud of the projects that are proposed for the Sister Islands for 1996: **"Marine facilities will be upgraded by widening the West End channel access in Cayman Brac and providing a boat launching ramp at Point of Sand's jetty in Little Cayman. Land was recently purchased to enable the improvement of facilities at both the Primary Schools and High School. Spot Bay's cemetery wall will be completed to improve protection from heavy seas. A new sub-post office is proposed for West End with upgrades to other Sub-Post Offices. Phase II of the multi-purpose building in Utile Cayman will be completed and the Public Works Department compound will be relocated from Blossom Village to a site near the multi-purpose building."**

"Housing facilities for Government workers on Little Cayman will be upgraded. Office accommodation will be provided for the police, including a holding cell for detainees." Seeing that no representative of the Sister Islands is a part of the National Team, I think the National Team should be commended for looking after the Sister Islands and seeing that they are getting their fair share of development and money.

The next section that I would like to touch on briefly is Personnel, Training, Management and Computer Services. I have read this section on Personnel, Training (I emphasise Training) but I see nowhere that training has been mentioned. It says: **"During 1996 the Personnel and Training Department will provide management development programmes..."** is this considered training?, **implement a new grading structure and review the performance appraisal system.**

"Computer Services will implement several new or replacement computer systems in some Government Departments."

"A new computer system to assist in the administration of financial and human resources is being developed. The project, guided by a steering committee chaired by the Accountant General, is expected to be completed soon."

I have read through the Throne Speech and, if I am not mistaken, there are either two or three sections that have specifically mentioned training for their officers. The Fire Department is one, and I think the other one is the Tourism Department, and there was another I cannot remember. If this department is specifically responsible for the training of civil servants, one would have thought that they would have given us some policy as to what their training programmes would be for 1996.

I would have liked to have seen under this section words to the effect, 'the goal of this department for 1996 would be to have as many Caymanians as possible with the

necessary qualifications filling top positions, such as Computer Services.' I specifically mention Computer Services, not out of any gripe with the person who is the Head of the Department, but I have been hearing numerous persons speaking recently on the young Caymanian who is filling the second or third position in that department who has a Bachelors Degree; a very brilliant Caymanian who was told that in order to advance he needed a Masters Degree. He took it upon himself and hurriedly went off and got his degree. How long are we going to stifle these young Caymanians? They will be taken from the Civil Service (as I have said before) by the private sector of this country. There is going to be a ricochet effect because other Caymanians who are qualified are being stifled.

I know that legislators have no business in these matters, but I think that I do have a business in any matter concerning the young Caymanians of these islands. (The word "Government" in these latter days, means the five elected Ministers of Executive Council. This is not what I mean and it is said by some people in Jamaica, "cock-roach don't business in fowl fight). But if the Government does not set an example by promoting and advancing its people, how can we expect the private sector not to stifle them?

Stories have been told to me by reliable people (they have no reason to lie to me or to exaggerate) but there are young people in this country who are with banks, trust companies, for three or four years and all of a sudden there is a position for an Assistant Manager. A person is sent from overseas with absolutely no knowledge of banking or trust company work. These are the things that we as legislators have got to do something about.

We have people in our country, and we need people (I hope that no one takes it that I believe we do not need outside workers in these islands). We need them. I will be the first to say it. But, particularly when we deal with the Civil Service and we have people who are not Caymanians who will have to make recommendations for a Caymanian who is next in line to replace them, how long will that Caymanian have to stay second in command? I would not make a recommendation to lose my job in paradise.

Hon. W. McKeeva Bush: *Laughter.*

Mrs. Edna M. Moyle: I just speak the truth.

I think that the Temporary First Official Member has the same concerns about some of these things that I have mentioned. I think he was on a Committee dealing with the Revision of Salaries. I was reading the report one night about one o'clock and there were slight recommendations in it for people who hold these positions 'personal to holder', and those who have reached the top of their salary scale. I would like to ask him if he would convey to His Excellency that we are not giving any command, we are asking him to look into the situation, to be vigilant and see that our people are allowed to advance at every opportunity.

I would like to touch briefly on the Legislative Assembly. I will only say that as Chairman of the Committee for the Introduction of a Register of Interests to the Assembly and a Code of Ethics and Conduct for Legislators, I have every intention of bringing this Committee to a conclusion with legislation before this Honourable Legislative Assembly is dissolved. I am hoping that we will be able to do this early in 1996, hopefully at the next sitting, Madam Speaker.

Hon. W. McKeeva Bush: Hear, hear!

Mrs. Edna M. Moyle: I am not a person who will start something and leave it up in the air at the end of my term. There is no guarantee, until the last ballot paper is counted, that any one of us will return (even though we feel confident). I would like to bring this to a conclusion as soon as possible.

I will touch briefly on the new efficiency measures.

"New efficiency measures will continue to be applied to the editing of Hansard reports." This is very important, and I feel that whatever is necessary must be done to provide proper editing staff (if it does not exist at this time) to have these *Hansard* reports completed.

I remember the days when I sat and took the minutes of this House in shorthand. With your guidance, Madam Speaker, these reports were available for the next sitting. I think we need to provide this department with proper staffing so that the same thing can happen once again. I think the 1992 to 1996 Hansards are outstanding, but there is still a backlog of the 1988 to 1992 (I am not certain of the years). We need to do whatever we can to bring them up to date.

Elections: The Governor said that he was most impressed with the professional manner in which the recent by-election in Bodden Town was managed. I, too, would like to congratulate the Supervisor of Elections and his able staff. But I would like to go a little bit further to see the election supervision done in a professional manner. I hope that during the campaigning for the General Election in November, that as the people who want to represent the people of this country we can carry out clean campaigns and not attack one another with personal matters. It has started in my district - not by speaking, but by sending copies of letters with very nasty remarks at the top.

I was sent a copy of a letter written to the public. I have no problem with that. I can defend my position, and the people of North Side will judge me on my performance. But when people will stoop to writing nasty remarks, which if seen by the wrong people can be misconstrued, where decent citizens of this country who are trying to do a job for their people can be marred by such rude and nasty remarks... There is no forgiveness, particularly when people making these nasty remarks are over the age of 80.

I am a little bit disappointed that there is not a voters' registration card system in place for the election in November; but I am certain that there is a legitimate reason why it has not been done. I have every confidence in my Government that if it could have been done for the November Election it would have been done. Let us hope, and put every effort in place, so that by the next election this system will be in place.

I am going to pass over the Portfolio of Legal Administration very quickly. I hope that my remarks will not be found to be rude, but I will only say two words, "lacking information".

The Portfolio of Finance and Development: I would like to congratulate the Honourable Financial Secretary on a number of points. He has taken the decision to **"...propose to review and revise the Public and Finance Audit Law, and Financial and Stores Regulations, to establish the Cayman Islands Stock Exchange and an Integrated Financial and Manpower Information System."** These are big jobs to take on, and if I am not wrong (I stand to be cor-

rected), I think it states under the Financial and Stores Regulations that when jobs are put out to public tender that the contractors have to come up with a performance bond. I think that some research into this needs to be done. What we are finding in Cayman is that the smaller contractors cannot get above a certain level to get these jobs, for the mere fact that they are not in a position to come up with that exorbitant performance bond.

A lot has been said about my regarding of the building of the North Side Civic Centre, such as 'imagine all this construction is going in the district of North Side and she, as a representative was not trying to get jobs for the contractors in the district'. It is so sad when people will open their mouths and say things that they do not know anything about, because anyone who is spreading that rumour could have come to me (as I believe I am the most humble politician in this Parliament) and asked. I went out of my way to see my people, to ask them to submit tenders for the building of that Civic Centre. One contractor did, but his obstacle was the performance bond. Whatever assistance we can give to our smaller contractors to get them above that level and get the large jobs, let us look and see what can be done.

I would like to thank the Financial Secretary for saying that during the year the Economics and Statistics Office will also assist in preparing data relating to gender issues. If I am correct, I think it is the first time that any statistics relating to rape, abuse, domestic violence, etcetera, is going to be prepared.

Of course I will be called a feminist here again, but I do not mind. We have women on the outside who support the Opposition saying that we should have never brought a motion to set up a Women's Office. But I did, because I thought it was needed.

I would also like to thank the Honourable Financial Secretary where he proposes under the Treasury Department that "...in 1996, the Treasury proposes to improve its accounting system and introduce a computerised procedure for reconciling bank accounts to the Treasury records." This will be a step in the right direction because I think this is one of the problems that the Auditor General had during his inspection of the Treasury Department. I do not think it was anything that was done deliberately, but I think if we can provide the people in these departments with the proper equipment, with the proper accounting system, whatever it is (computers), their jobs will be made easier and we can expect better results in the future.

Revenue collection: I have heard a tremendous amount of talk about this since this House started. Recently we heard the Financial Secretary put forward what he intends to do to collect the revenue owed to the Government of these islands by setting up a debt collection unit within the Treasury. I am a bit disappointed that this collection unit had not been put in place prior to now. I think that in 1995 we sat in Finance Committee and voted funds for a legal employee to be appointed specifically for the collection of debts. But better late than never.

Hon. W. McKeever Bush: Oh yeah!

Mrs. Edna M. Moyle: The Ministry for Tourism, Aviation and Commerce: I would like to congratulate the Minister on the Botanic Park, a project in my district which provides jobs for a few of the people who are interested. There is one particu-

lar young man working at the Botanic Park for whom I have the greatest of respect, and I hope that one day (with training) he will advance to one of the top positions at the park. Perhaps Honourable Minister, in his reply, will give me some good news and inform me of the great things which are lying in the wings for this young man from North Side.

The Fire Department: Madam Speaker, this is one department that I can always throw roses at. The officer in charge is a dedicated person. I know that someone is going to take my interest in Caymanians out of context to the point that I do not want (I do not call them expatriates) foreign labourers in these islands. Nothing could be further from the truth, Madam Speaker. But I am proud when one of us will take the decision and bring into the departments of the Civil Service young Caymanians who are capable, and give them the training and encouragement to move up the ladder.

I am proud of the Fire Department. Some of these young men, one in particular (I do not know if he is still there, but I hope he is) had problems, and I am certain he had searched far and wide for a job and the Head of the Fire Department took him on board. I hope he is still there and improving himself.

The Port Authority: I just have one comment to make along the lines of what the lady Member for George Town said regarding the container crane delivery. I have been told that this will allow freight costs to be reduced, or I think I read it in the newspaper. But I hope with the delivery of this container crane that the persons now operating the crane facility on the dock will not be pushed out of business or have to park their cranes, but that something will be there so both can work in conjunction with one another.

I am glad to see that plans have been submitted to the Planning Authority for the approval in principle (let us use these words very carefully, because they can cause great discussions) for the construction of a third landing for cruise ship passengers. I heard at a public meeting that when one uses the words 'approval in principle' it is legally binding no matter how they are used. Well, I would like to congratulate the Minister on this proposed jetty because I think it is well needed.

Tourism has progressed by leaps and bounds since the new Minister took over. I do not think that people can stand in 1996 and say that this was because of programmes that were put in place prior to the last Government's leaving office in 1992. We should have reaped the benefits of that advertising in early 1993. We still cannot be reaping it in 1996. This has got to be good advertising by the new Minister and the members of his staff in the Department of Tourism.

I would like to say that the new Director of Tourism has had it rough at times but she has stuck with it. Personally, I believe that she is doing good and is prepared to work with the people in the hospitality industry and to find training programmes wherever possible for our Caymanians. It has been said on numerous occasions that the hotels are not prepared to take on Caymanians. This is true to a certain extent, and whether it is being called nepotism or otherwise, I stand on the floor of this House today and say to my son (who is involved in one of these hotels and has done his utmost): Bring Caymanians into that industry to continue the good work. Even though it is constantly being said that if the Caymanian is at the top, Caymanians will not be given jobs.

I say to other Caymanians who are in positions in the hotel industry to follow that example and help your own people. Until we as Caymanians unite and are put at the forefront to help our own people, we will not advance and will be constantly bickering at the number of people who are being brought in to take jobs.

MOMENT OF INTERRUPTION - 4.31 PM

Standing Order 10(2)

The Speaker: Honourable Member, will you be completing your speech shortly?

Mrs. Edna M. Moyle: No, Madam Speaker.

The Speaker: Can I ask for the motion for the adjournment at this time? Honourable Minister for Education and Planning.

ADJOURNMENT

Hon. Truman M. Boddan: Madam Speaker, I move the adjournment of this Honourable House until 10 o'clock tomorrow morning.

The Speaker: The question is that the House do now adjourn until 10 o'clock tomorrow morning.

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

AYES.

The Speaker: The Ayes have it.

The House is accordingly adjourned until tomorrow morning at 10 o'clock.

AT 4.32 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM FRIDAY, 1ST MARCH, 1996.

**EDITED
FRIDAY
1ST MARCH, 1996
10.10 AM**

The Speaker: I will ask the First Elected Member for Cayman Brac and Little Cayman to say prayer.

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 II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated. Proceedings are resumed. Questions to Honourable Members/Ministers. No. 18 standing in the name of the Fourth Elected Member for George Town.

QUESTIONS TO HONOURABLE MEMBERS/MINISTERS

DEFERRED QUESTION NO. 18

No. 18: Mr. D. Kurt Tibbetts asked the Honourable Minister for Tourism, Aviation and Commerce to provide an update on the Pedro Castle's renovation project.

The Speaker: The Honourable Minister responsible for Tourism, Aviation and Commerce.

Hon. Thomas C. Jefferson: Thank you, Madam Speaker.

Stabilisation of the building and all masonry work on the walls of Pedro Castle have now been completed. A contract for the framing has been awarded and work is about to commence within the next few weeks. The slate to be used for roofing has been shipped and is due to be delivered on site shortly. It is also expected that the floorings will be com-

pleted around the same time as the framing and roofing. A bake-oven structure is nearing completion.

Although not part of the historic period, the old Steadman Bodden's house has been relocated on the Pedro Castle site and restored. It will serve as an interpretation centre until the main visitor centre is operational.

In 1995 a contract for the multi-media show was awarded and production has commenced. This show will depict the history of the Pedro Castle and is being developed in close consultation with the Historic Sites Committee and the National Archives. A short six minute promotional video is completed and is about to be aired locally as well as overseas as part of the tourism promotional efforts.

The main visitors centre has been designed and costed. It is proposed that this entire facility be funded by a loan from the Caribbean Development Bank. This has caused some delays, but is now about to be finalised and Government approvals obtained. The centre will consist of a retail shop, offices, restaurant, resource centre and multi-media theatre.

It is expected that the restoration of Pedro Castle itself will be completed around September 1996, but the main visitor centre is not expected to become operational until the summer of 1997.

SUPPLEMENTARIES

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Minister say what was the initial projected completion cost of this project?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: I think that information has been made available on many occasions. I do not have it now with me.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Minister say, based on information he has on hand, if the initial projected cost is on line at present, or if the cost projected now exceeds what was originally conceived?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: The present projected cost is on line with the original amount (I do not have the exact amount), but it is certainly not outside the original estimate, if anything it will be less.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Minister say if the project is on schedule as it was originally anticipated?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: No. It is off schedule a bit due to a variety of reasons.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Minister expand on the awarding of the contract, meaning who received the contract?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: The tender for the framing was awarded by the Central Tenders Committee, and I believe (if I am not incorrect) the company is CAT Construction.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: In the answer the Minister says: "It is proposed that this entire facility be funded by a loan from the Caribbean Development Bank." When the project was initially envisaged and made public, my recollection is that it was to be funded through Government's recurrent revenue. Would the Minister be able to say why the change of tactics has come about?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: There is really no change. Basically, we have said from the beginning that it will be a combination of funding from local revenue and funding from loan.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Minister say if projections have been made whereby the loan will be repaid from revenue derived from the operation of the facility?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: Feasibility studies have been carried out, advice has been received as to marketing the project, and we have analyses which indicate that the project will pay for itself over a period of time.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Minister say if when he stated that a contract for framing was awarded to CAT Construction, he implied it is a contract for the building work, the construction work of the castle, and whether it is a local company? Which company receives the contract for the multi-media show production?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: The contract for the framing (those of us who remember the Pedro Castle building, there is a central core of stonework) will be the lumbering and moving on to install the roof of that building.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: There is still the question of whether the construction company is a local company, and who was awarded the multi-media show contract?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: The answer to his first question is that CAT Construction is a company that has a local Trade and Business Licence in the Cayman Islands. So I assume it is a local company. I would not go on to say that it is totally owned by local people.

Regarding the multi-media show contract, I do not have that information in my file at the moment.

The Speaker: The last supplementary. The Fourth Elected Member for George Town

Mr. D. Kurt Tibbetts: Can the Minister say if the retail shop and the office, etcetera, are going to be sublet, or operated within the confines of Government?

The Speaker: Honourable Minister.

Hon. Thomas C. Jefferson: All the details on that have not been finalised. The proposal is that the restaurant, in particular, will be sublet (put out to tender to whoever is interested in the bid for that service).

The Speaker: The next question is No. 38, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 38

(Deferred)

No. 38: Mr. Gilbert A. McLean asked the Honourable Minister responsible for Education and Planning whether Government still allows on-shore mining of marl and, if so, what are the requirements to be met.

The Speaker: Honourable Minister for Education and Planning.

Hon. Truman M. Boddan: I would ask to please defer this question. It was originally asked of the Minister for Communications and Works and he sent it across, but somehow I do not have the answer ready. I will have the answer ready for Monday or Wednesday. I did mention that to the Honourable Member who asked it.

The Speaker: The question is that the answer to question No. 38 be deferred until a later sitting during this Meeting. I shall put the question. Those in favour please say Aye. Those against No.

AYES.

The Speaker: The Ayes have it.

AGREED. QUESTION NO. 38 DEFERRED.

The Speaker: The next question is No. 39 standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO.39

No. 39: Mr. Gilbert A. McLean asked the Honourable Minister responsible for Agriculture, Environment, Communications and Works what Government is doing to secure the massive outstanding amounts owed to it for dredging.

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: As reported by representatives of this Ministry to the Public Accounts Committee in October 1995, the amounts owing to Government for dredging stood at \$512,037.00 at that time. This outstanding royalty was represented by: (i) Caymarl Limited - \$288,947; (ii) Crystal Harbour - \$203,999; (iii) The Shores - \$ 19,091, making a total of \$512,037.

Since that time, Government has received payment of \$203,999 from the Crystal Harbour development, and \$19,091 from The Shores, leaving an outstanding amount of \$288,947.

Government has been in negotiations with Caymarl Limited and it is expected that the outstanding principal amount of \$288,947 will be paid in the very near future. It is our understanding that Caymarl Limited has now secured the financing to pay off this outstanding debt.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Is it the intention of Government to receive the payment of \$288,947 from Caymarl Limited before it allows it to further extract marl from the North Sound as stated in the Throne Speech?

The Speaker: The Honourable Minister.

Hon. John B. McLean: That is part and parcel of the new licence.

The Speaker: The next question is No. 40, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 40

No. 40: Mr. Gilbert A. McLean asked the Honourable Minister responsible for Tourism, Aviation and Commerce what the major annual tourism promotions in which the Department of Tourism participates are, and what is the average cost per event.

The Speaker: Honourable Minister for Tourism.

Hon. Thomas C. Jefferson: The major annual tourism promotions are: World Travel Market (London), International Travel Bureau (Berlin), and BIT (Borsa Internazionale de Turismo) Milan. Overall these shows attract 165,530 trade persons and 310,000 consumers. The average cost for the three events is CI\$7,633.00. Major funding support from the European Union is obtained to subsidise the cost of these events.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: I notice that the Minister said the average cost for the three events was \$7,633. Is it that each event costs \$7,633 what exactly is the amount?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: My apologies, Madam Speaker, and to the Member. The average cost per event is \$7,633. My apology.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Minister say what sort of financial support is received from the European Union? I think it is very good news that they offer some subsidy for it.

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: Unfortunately I do not have that information with me. But what I can say to the Honourable Member is that the European Union contributes to these particular trade shows and they pay directly, so the remaining balance is paid individually by countries that participate.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Minister say, based on statistics, what type of results have been achieved by these trade show (by way of numbers) coming to the islands?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: The reference that I would give is that, prior to attending these trade shows in 1994, there were very few European countries (such as Germany, Austria, The Benelux, Italy, Spain, to name a few) that had any increased percentage over the previous year.

Since doing major promotions in the area and attending these trade shows, all of the percentages are up in comparison to 1993 or 1994.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: While this question might be slightly straying, I hope the Minister will condescend to answer. The fact is that the North American market is the largest market, and based on the answer no major promotions are dealing with that market, would the Minister be able to say whether it is something that is taken for granted, or how is promotion dealt with?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: We have regional offices in Los Angeles, Chicago, New York, Houston, and Miami and we have representatives in Tampa, Atlanta, Boston and Baltimore. During the year they carry out promotions in their respective regions and are assisted by the head office (that is the North American Head Office) with these promotions. I do not know it that completely answers the question.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Minister have any idea what type of cost is involved outside the estimated advertising annual budget for the Department with these promotions that are dealt with in the North American continent?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: I think the Member is asking a question to try to pin-point how these promotions done by the regional offices are funded. I can only refer him to the Budget for the Tourism Department, because each office has an allocated expenditure for the year. That expenditure covers the cost of the individuals who work there as well as their promotional work in the field.

The Speaker: The next question is No. 41, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 41

No. 41: Mr. D. Kurt Tibbetts asked the Honourable Temporary First Official Member responsible for Internal and External Affairs: (a) How many applications for Caymanian Status have been received from January 1995 to date; (b) how many were approved in 1995; and (c) how many were denied in 1995.

The Speaker: Honourable Temporary First Official Member.

Hon. Donovan W. F. Ebanks: A total of 233 applications for Caymanian status were received from January 1995 to date; a total of 196 applications for Caymanian status were approved in 1995; and a total of 18 applications were denied in 1995.

SUPPLEMENTARIES

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Honourable Member be able to tell us by category how these applications were granted?

The Speaker: Honourable Temporary First Official Member.

Hon. Donovan W. F. Ebanks: The grants were broken down as follows: Descent - 7: section 15(3); Citizenship - 1: section 15(4); Marriage - 115: section 15(5); Marriage to persons now deceased - 2: section 15(6); Legitimate descent - 24: section 15(7); Descent including grandparents - 36: section 15(8); and Losing Caymanian status at 18 years of age - 11: section 15(9).

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Of the total figures for those applications, and deducting the number approved and denied there is a balance of 19. Are these pending further information or where have they gone?

Hon. Donovan W. F. Ebanks: Those would be the applications which are pending a decision.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Member say if there are any applications which have not been dealt with that were received before January 1995?

The Speaker: Honourable Temporary First Official Member.

Hon. Donovan W. F. Ebanks: I am unable to answer that, but I can undertake to provide an answer to the Member.

The Speaker: The next question is No. 42, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 42

No. 42: Mr. D. Kurt Tibbetts asked the Honourable Minister responsible for Agriculture, Environment, Communications and Works to give a time frame for commencement and completion of the proposed Harquail Bypass Road.

The Speaker: The Honourable Minister.

Hon. John B. McLean: A specific start date for road construction has not been set. Survey and soil testing on the south part of the road near Paddington Place (Z-99 radio tower) is now underway.

This survey work should allow complete detailed land acquisition estimates to be made by mid March. A supplemental funding request can then be considered by Finance Committee. If land acquisition funds are approved, we believe it will take until the end of May for the land to be secured. If funding arrangements for construction are worked out, construction can then start 1st June. Depending on the weather and the amount of equipment available, construction could be completed within 18 to 24 months.

SUPPLEMENTARIES

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Minister have any indication regarding the tendering process for this bypass road?

The Speaker: The Honourable Minister.

Hon. John B. McLean: That would take place as soon as the things I mentioned in the substantive answer are completed.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: So it is a correct statement to say that tenders have not been invited thus far.

The Speaker: The Honourable Temporary First Official.

Hon. John B. McLean: That is correct. We have received proposals from individuals but no tenders have been submitted.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: In prior forums the Minister has stated that along with the tendering for construction the Government would also seek tenders for the financing of the construction of the road. In his answer to this question he states that a supplemental funding request can then be considered by Finance Committee.

I am not very clear on whether the two are in line or we are talking a different language at this point. Would the Minister please explain?

The Speaker: The Honourable Minister.

Hon. John B. McLean: What the Member has said is correct, but regardless of what route we take to commit this country to fund, it will have to come to Finance Committee.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Coming to Finance Committee (again for the purposes of clarity), would the Minister be able to say whether this would simply be to authorise direct borrowing or to authorise guaranteeing borrowing by other entities?

The Speaker: The Honourable Minister.

Hon. John B. McLean: If Government decides to go the route of seeking financing, that, in turn, would have to come to Finance Committee. If Government should decide to go the other route mentioned by the Member, that, too, would have to come to Finance Committee.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Contrary to an opinion that I may have formed, Government has not made a final decision as yet as to how it is going to finance the project?

The Speaker: The Honourable Minister has made that quite clear, I believe. I do not think that requires an answer.

The Speaker: That now completes Question Time for today.

The next item, Government Business. Debate on the Throne Speech. The Elected Member for North Side continuing.

GOVERNMENT BUSINESS

DEBATE ON THE THRONE SPEECH DELIVERED BY HIS EXCELLENCY MR. JOHN W. OWEN, MBE, GOVERNOR OF THE CAYMAN ISLANDS, ON FRIDAY, 16 FEBRUARY, 1996

(Continuation of debate thereon)

Mrs. Edna M. Moyle: Thank you, Madam Speaker.

When we took the adjournment yesterday evening I had just about completed my presentation on the Ministry for Tourism, Aviation and Commerce. I would like to say to the Honourable Minister and the Director of Tourism that I appreciate their involving the people of this island in the exercise being carried out now by the Ministry and the Department, by allowing our people to meet with the consultants to

air their problems. In my opinion, the end result of the Implementation Strategy will be what the people of these islands want.

Unfortunately, I could not be in my district last night when these gentlemen were there due to a prior commitment (which if of another nature I would have cancelled and had been with my people) where I was installed as president of an organisation at an installation ceremony. It was quite hard for me to cancel that appointment.

I had the opportunity, as offered by the Minister to Members of this Parliament, to meet with the consultants in this Legislative Assembly Building. I must say that I was extremely impressed with the professionalism of these gentlemen and with their ability to sit and listen to the four Members who attended that meeting. They understood where we were coming from and agreed with us where they felt they should. They put forward points which they felt needed discussion.

I think the Civil Aviation Authority has taken a very good decision in deciding to expand the Customs Hall, the Immigration Arrival Hall and the Departure Lounge at the Owen Roberts International Airport. This has become a priority, as the Minister of Tourism, the Department of Tourism and the Portfolio increase the number of visitors to our islands by air as well as by sea, to begin as soon as possible.

We know that most of our visitors are from the North American market, and we know that when they pay money they expect service. We cannot disagree. If we want them to continue coming to the Cayman Islands we must provide whatever facilities are necessary to make their stay better each year.

The first impression of any tourist is a lasting one. Thus the confusion at the Owen Roberts International Airport in the Customs and Immigration Halls when we have all our airlines arriving more or less within 15 minutes of each other can be a lasting impression. I congratulate the Minister and his departments and the Civil Aviation Authority for making the decision for this to take place in early 1996.

I will now touch on the Ministry for Health, Drug Abuse Prevention and Rehabilitation.

In the Throne Speech, His Excellency says: "In 1995 the Ministry of Health, Drug Abuse Prevention and Rehabilitation laid the foundations for the achievement of major objectives in 1996." Health insurance is a very important subject. If we do not bring health insurance into this country I am afraid that the number of overseas referrals which the Government now has to guarantee, in some cases picking up the bill, are going to embarrass us financially.

I commend the Minister for providing a Draft Discussion Bill for a Law Relating to the Provision of Health Insurance. In his presentation he said (and I gather from this that the feedback on this Bill has shown some concerns; I, too, have had people mention their concerns to me) ...every effort will be made to present to the Legislative Assembly for approval in 1996, a Revised Bill along with Health Insurance Regulations.. I told him that he has my full support and the sooner this legislation is brought to this Parliament, the better it will be for the Government of the Cayman Islands financially. I think that it must be strenuously emphasised to the companies providing insurance that the legislation will specify insurance policies that would benefit workers who will be contributing. If the Government were to investigate

some of the policies provided for workers in these islands they would be totally shocked at what benefits are derived.

I will ask the Minister to make a vigilant and strong effort to ensure that the provisions in this law for the type of insurance to be provided will give our people a service for which they will contribute, and from which they will reap benefits. **“Health Services New and Improved Facilities. At last the Doctor Hortor Memorial hospital project can be closed for good. The Honourable Minister has worked diligently to bring to fruition a facility for medical services for the people of this country and to provide a facility at a cost which the people can afford. The construction of the facility... will begin in the first quarter of 1996 and will continue for the next two years. He has already started on part of this project, with ...a 10,000 sq. ft. materials storage building, is nearing completion on the present hospital site. It will be operational by June 1996.”** I think the entire Cayman Islands will be proud of the facility which this Minister and his staff are working so hard to provide for us.

I say his ‘staff’, and I think he has included in this project the people working in the Health Services of this country from the top to the bottom. They should know best what facility the people of this country need.

I would like to congratulate him on the new Health Centres proposed for each district. I attended the opening of the Nurse Jessie Ritch Memorial Health Centre in Bodden Town. That is a facility which the people of Bodden Town can be justly proud of. Remember, the Minister has worked and provided them with a facility to service their needs.

As the Member for North Side, I look forward to when the Health Centre in my district is opened in 1996. My people and the people of East End are on the furthest end of the island from the George Town facility. I think many of the persons travelling from those districts to the George Town Hospital could be serviced by a health care centre in their own districts. It would prevent them from travelling for 45 minutes (some of them are old) and alleviate the number of people being treated at the George Town Hospital.

It will also help the people of West Bay. I think it is time that the West Bay District Health Centre came on line. We know there are people who claim that West Bay gets this and that first, but the National Team has tried to provide for every district in this country. It is only natural that we are not able to provide a health care centre for each district at the same time. We cannot afford it. So we work towards providing facilities for all districts.

I was quite pleased to be a part of the approval of the Two million four hundred thousand dollars (\$2.4M), in the 1996 Budget for the purchase of medical equipment.. I believe the provision of medical care to patients can be enhanced with diagnostic capabilities of the Health Services Department if we have the equipment present on site.

I think it will cut down on some of the overseas medical treatment because if we are able to diagnose the problem, we may be able to treat them here. If we cannot diagnose we have to send them overseas.

Under the Public Health Services, it is good to see that a National Plan for Workers’ Health in the Cayman Islands will be developed this year. This is long overdue. We know that in jobs being filled by people in these islands there are things being used which can be detrimental to their health. We must educate the employer and the employee.

Mental Health Services has long been near and dear to my heart. I think it was in my debate on the very first

Throne Speech after I was elected to this Legislative Assembly that I stated clearly that a facility and a programme for the mentally ill of these islands was a priority. We have reached the stage in the development of these islands where it is no longer acceptable for our mentally ill to roam the streets with nothing being done. If there is a problem they are arrested and they are taken to the George Town Lock-up, or put in Northward Prison. This is not suitable. There must be a provision for facilities where they can be admitted and treated for their problem.

Fees Collection: As I understand it, we have now employed an accountant at the George Town Hospital who is working on this problem. I believe that the non-collection of hospital fees is not always that the people do not want to pay. I think that sometimes it is a mix-up. I do not know exactly how to explain the situation, but I will use an example of what happened to me. I think I used it in Finance Committee here before.

My daughter was ill and was taken as an outpatient to George Town Hospital. Blood tests were done. I went to the hospital one day and I was given the bill. On the bill it said three blood tests. I knew she had only had one. I gave it back to the young lady at the front and she said she agreed with me, that my daughter only had one blood test.

I requested that she give it to the accounting department and send me a bill itemizing exactly what Rebecca had had done. This was in August of 1995. This is now March 1996. I have never received another bill.

I know Mr. Cumber, the Administrator, is trying hard to get these anomalies straightened out in order to start collecting on these bills and with the newly appointed accountant this can be done.

Drug Abuse Prevention and Rehabilitation: I would like to congratulate the Honourable Minister and his staff for having the strength to go forward with the renovation of the property purchased by Government in the Breakers area for the Drug Rehabilitation Facility. Amidst all of the criticism the Minister has stood firm on his convictions. I would like to remind the people of that district that no district would like a facility next to their beautiful homes, but a decision has to be taken. These young people have to get help. They have to be given a service in their own island. I do not believe that they have chosen to go this way; I believe that drug addiction is a disease, that alcoholism is a disease and God has told us to care for this type of person.

I believe it was Miss Joanne Barnes who had a very nice letter concerning the facility in Breakers. I hope that the people who read that letter who were objecting to this facility will now reconsider and join hands with the Minister to have this facility completed for our local drug abusers in order to get them back on the right way of life.

I believe that the Cayman Counselling Centre is doing a very good job. It will continue to do this job as long as we are prepared to provide the facilities and the money for them to do so. It was stated, “In 1996 there will be expansion of the programme at Northward Prison from one day per week to five days per week and the adolescent programme will be increased from two days per week to three days per week.” I congratulate the Cayman Counselling Centre and the Ministry for putting this additional counselling in place at Northward Prison. It is needed. As I said yesterday, I think 50% or more of the inmates at Northward Prison are there for drug related problems.

I think plans are being made where we have district counselling. I know there are a number of young people in my district whom, I am sure, if a facility were provided nearer to home, would find themselves to these sessions trying to better their lives. I know a number of them have called me stating that they need help, asking if I would call the counselling centre. I have done this and they have received help. I think to provide this service nearer to the districts will be a tremendous help to the young people in the Eastern Districts.

The Ministry of Education and Planning: We have heard a number of aspersions cast at the Minister. He walked into, as the Minister of Education after the Elections in 1992, a situation with the education system in this country that I believe only he with his patience and his legal mind could unravel and put back on its feet.

I see that "Work on the National Curriculum will continue with teachers working in subject teams under the guidance of a curriculum planner." I think one of the biggest mistakes ever made in this country was to change our examinations without a national curriculum first being put in place. I congratulate the Minister for working so diligently over the last three years on the national curriculum - which is something which cannot be presented in a year or two. Much thought and work and planning have to go into a national curriculum.

I say to him again, as I said to him in my presentation on the setting up an office for Women's Affairs, that I hope that tourism and sex education will play a big part in the national curriculum of these islands. Tourism being one of the mainstays of this country and education should go hand-in-hand. Sex education can no longer be swept under the carpets in the Cayman Islands. I come from the old school where sex education was a no-no. But it can no longer be that way, and it must be provided for our youngsters.

I noted that "Registration procedures for school entry are being revised, to make the process easier and to involve school Principals in registration at the school sites." This is a very good idea and I commend the Minister.

But there is another thing I would like to see, and maybe this will have to work hand-in-hand with the Minister for Health, that school medical will be offered at the district health care centres for children entering the district schools. I know on a number of occasions I have had calls from parents of children entering the primary school who objected to having to take their children either to George Town or another district for a medical for entry into school. They felt there should be some provision at the district health centres.

Much has been said in the past few years about the number of scholarships being granted. I ask the question: How many children applied for scholarships out of the graduating classes of our schools? I have the answer which tells me that approximately 230 students graduated in 1994; 39 scholarships were granted in 1994; 51 applications were submitted; 31 scholarships were approved in 1995; 28 scholarships were accepted; some applicants accepted scholarships from the private sector after they had applied to the Government; some applications were withdrawn because of a lack of response from colleges to which applications were made; some students decided to wait another year to go off to college. In 1995 we did not have a graduating class coming out of our high school. This was because of

the extra year which was added in year 10. Students repeated a year thus no graduating class.

I know that the Minister for Education will tell this Honourable House how many scholarships were granted to our people prior to 1992. In 1994 I think someone said there were 17 and 30 out of 300 students would be good. I see here that in 1994 39 scholarships were granted out of approximately 230 students graduating. That was very good.

I know personally that there are students overseas who graduated in 1994 who are not on Government scholarships because they were too young to qualify, but their parents have taken on the cost of offering them further education. I am certain that when they have reached the age to qualify for a Government scholarship as the Minister has done during his term as Minister of Education, they will be looked at and granted if they qualify.

The Community College: I am happy to see that a College programme locally will be provided and the transfer to accredited colleges and universities from the Community College for the first two years of the College programme will be provided.

Just this week I was standing on the front steps of this building and a young man said to me that the Community College should be providing electrical courses for the number of young people who have not gone on after high school who are sitting at Elizabethan Square - but they only offered 12 places. This had me extremely concerned. I spoke to the Principal of the Community College. He confirmed that there are only 12 places for Electrical Engineering, and that they were having trouble filling those 12 places. Why should the Government provide more places at more expense if we are not taking the opportunity to use the provisions which are already there?

The Principal also said to me that the College provides 130 places for subjects to be studied. I would feel that if I applied for Electrical Engineering and could not get that, and I really wanted to pursue my educational goals, I would apply for another subject until there was a space available.

Much has been said about this Government assisting private schools. I believe that this is one of the best decisions ever taken, as long as it is not at the detriment of our own public schools. I know that this Honourable Minister will not allow this to happen. Any problem that I have had with the North Side facility, whether it be the building or a problem with the teachers, he is willing to listen and correct the problem.

I would like to quote from the Education Law, 1983, section 14: "Subject to the provisions of section 22(9) it is the duty of the parent of every child of school age to cause such child to attend at a suitable school on every day on which such school is open unless: (a) such child is, in the opinion of the Chief Education Officer receiving sufficient instructions suitable to its age in some other way; or (b) such child is prevented from such attendance by ill health or any other cause whether temporary or permanent which the Chief Education Officer deems sufficient."

As I am not one of these politicians to read a part and leave out the best part, I wish to read section 22(9) so that no one will think that I am hiding something: "A pupil who has been expelled from a government school shall not be re-admitted to any government school without the approval of the Council. The other section that I would like to read is section 21: In all Government schools:- (1) children

who possess Caymanian Status shall be admitted free of payment of any tuition fees, but shall pay fees for books and equipment set forth."

We say that the Government should not assist private schools, or that they should not give so much money to private schools, but I think it was in the Budget that education is costing this Government \$17 million. Under this Law, the Government has to provide education for every school child in this country. It does not say only Caymanians, it says every school child. If this Government had to provide facilities to school every child in the Cayman Islands, I believe that figure for education would be somewhere in the range of \$25 million.

By assisting these private schools to further expand and provide places in high schools I think is an excellent idea and it takes a big burden off the Government and the people of this country to find the funds to provide these services.

Some may argue that children can be discriminated against entering these private schools. The provisions are right here in the Education Law against discrimination which can be dealt with.

Cayman Airways: Thank God the 1996 election will not use poor old Cayman Airways as a political football. The reason for this were the decisions taken by the Minister responsible. There were some hard decisions. He got a lot of flak from the public. But they were the right decisions in order for the airline to survive and the Cayman Islands to have an airline for its people.

I am glad that the board has also tried to attract young Caymanian graduates as trainees in various departments. The first thing that has to happen with trainees (and I hope the Hon. Minister will pardon me) is that a Caymanian must be found to train these young Caymanian trainees. I would also like to say that maybe it is time that Cayman Airways, when it is financially fit, assist some of these young Caymanians who have gone overseas and qualified themselves with the commercial pilot's licence. The Caymanians require some 700 hours before they can be employed by a commercial airline. This is very expensive for these young men and women. Some of them have to hold jobs to pay their bills, and for them to take off and find \$40-\$55 thousand to complete this training and pay their bills and take care of their families during that training period is pretty tough. I say that whatever we can do to assist these young Caymanians to fulfill that dream to sit in the cock-pit of our own national airline, we should do.

I am proud of the announcement of our new destination - Orlando. I think this will prove to be a profitable route for Cayman Airways. It will also increase our tourism. I am told that it is normal for the European tourists to take a two week holiday. They go to Orlando and seek out another destination. They spend the first week in Orlando and seek out another destination the second week. Sometimes it is the Bahamas or another island. I think the decision that the Minister and the Board of Cayman Islands have taken to put Orlando on our route will prove profitable and we will get some of those tourists which the other islands have been receiving.

The Ministry of Agriculture, Environment, Communications and Works. I think the Minister should be congratulated on the recent Agricultural Show. This entire island should thank the Minister for bringing back that famous Agri-

cultural Show which was discontinued and that everyone in Grand Cayman (and I think the Sister Islands) looked forward to each year. It has been brought back in a better way.

The display of fruit, vegetables, cattle shows that the Minister who now holds that Portfolio has agriculture at heart. I am certain that he knows the Cayman Islands has a long way to go to be able to produce enough food to feed our people. But we have the ability here with our dedicated farmers who, under terrible conditions, are still able to provide a lot of food, cattle etcetera in these islands. I say to him that he has my support 100% in whatever can be done to promote agriculture.

I congratulate him on the 9-1-1 Emergency Communication System which he has seen fit to bring into these islands which will be launched in September. I feel that this will prove very helpful to our elderly and our lock-ins and so forth.

The Post Office: I think the up-grading of the George Town Post Office will go down in the history books of these islands because of the Minister's dedication and that of the Postmaster General, Miss Corrine Glasgow. I congratulate them both for the tremendous improvement that has been brought about at this facility. And we know that there is need and space for more improvement, but Rome was not built in a day. I am very saddened that the Postmaster General has decided to resign from her position. It saddens me because I feel that she had been doing a terrific job and it saddens me to know that a woman has reached this position and has shown that she is capable of making a difference. Now this problem has come about (be it what it may, I have no inside information as to the actual cause) but I am certain that there must have been reasons for the decision that was taken. It would be good if this problem could be ironed out and somehow that young lady be returned to her position. I have been told that as a politician I have no business in Civil Service matters.

I would ask the Minister that in 1996, if it is at all possible, to provide the people of Old Man Bay with a physical facility. I do not say it has to be a \$350,000 post office, but a facility where they can go and collect their mail and also to help the lady that is now offering the services to the people of Old Man Bay. If she had a physical facility where she could go and deal with the mail it would help her and help the people of Old Man Bay.

The Protection and Conservation Unit. I feel that this unit has done an exceptional job in monitoring coral reefs, taking of conchs and so forth. I am glad to see that the potential of whelks culture and restocking in selected areas will also be researched. At the detriment of perhaps losing one or two votes in my district, I am going to say that it would be nice to add to the protection of whelks some protection for the land crabs. I know a lot of people who use the meat of the land crabs to help them with their expenses, but I think what is happening is that there are people now who are collecting the land crabs with the spawns (which Caymanians have never done and will never do), and eventually if this continues there will be very few land crabs. So I would ask the Minister to look at putting in place some protection.

That good old subject of 'dredging' and I read: "Executive Council has decided that there shall be no further dredging in the North Sound." I am no expert on dredging but having an area in my own district that was created solely by dredging, and having talked to elderly people on the

number of fish that used to be there prior to dredging and the increase of the number of fish there since dredging (and having fish in that area myself), I know the number of fish that were there did not leave because of the dredging that took place. They left because they have been out-fished.

I have talked to older people in the East End area and they have told me that in the North Sound there are more fish in the areas that have been dredged. I know that I had the opportunity to put forward this information during the debate on the motion, but mention was made in that debate (and I think I have seen it in the Editorial of the Cayman Compass either yesterday or the day before) regarding the recommendations of the Public Accounts Committee and the question was asked: How are the Members of that Committee going to vote on the motion? That was obvious. We had the Throne Speech delivered and we were not deliberating on the Public Accounts Committee's Report and the Throne Speech is explicit: "Executive Council has decided that there shall be no further dredging in the North Sound,.... The Public Accounts Committee's recommendations in my opinion now fall away. Should any future government decide that they should have marl dredging, then the Public Accounts Committee's recommendations can be considered."

(inaudible interjection by Hon. W. McKeeva Bush)

Mrs. Edna M. Moyle: Convuluted or non-convuluted, I speak from belief and from the bottom of my heart and facts.

Hon. W. McKeeva Bush: Right!

Mrs. Edna M. Moyle: The Minister responsible for Public Works Department needs all the flowers there are in the world to be thrown at him (all the bouquets) because there are so many demands for the services provided by the Public Works Department made by each and every one of us in this Parliament for our districts. And we would like it done now! The worst part about it is that this is 1996 (an election year) and not only the Members of the National Team will be making demands on that department, but also the Opposition - which is their right. We, as the National Team, have no more rights than they do, but the Public Works Department will have to try and produce.

I would like to thank the Minister for the work that the Public Works Department has undertaken in my district; the street lighting, the road repairs, the repairs to Government buildings which were left to fall into disrepair for numbers of years until it cost so much to repair they decided to sell them for little to nothing. I must say that the Public Works Department has done a tremendous job in the upgrading of the roads in North Side; the upgrading of the buildings; the addition of air-conditioning to the School Hall and the Town Hall, to make them better for the children and people holding public meetings. The next time Team Cayman comes to my district, the Town Hall is now air-conditioned and they shall not get hot under their collars.

I believe the Public Works Department undertook in the past years in all the districts of these islands (and I can speak specifically for North Side) more road work than was done in that particular district in the eight years prior to me being elected. I guess that this stems from the fact that a representative, who no longer represents the people, says the people of North Side need a representative to represent

them nationally, internationally, and not locally. I would like to know how much international business do the people of North Side carry on.

Hon. W. McKeeva Bush: (laughter) His, International Health Care Services.

Mrs. Edna M. Moyle: The Ministry for Community Development, Sports, Women's and Youth Affairs and Culture: It is good that the Minister who has this tremendous, portfolio is large in stature because if he were not big he would slump beneath the criticisms that are levelled at him inside and out side of this House. But I often hear him say, 'when I am criticised it is because I am doing a good job and I do not worry.' I must say that the Minister of Community Development, Sports, Women's and Youth Affairs and Culture has shown his capability to this country, not by being vocal but by the actual facilities that have been provided under this ministry.

Some have said that too much emphasis is being placed on sports. I cannot agree with that. I believe that if the previous Minister who handled the responsibility for sports in these islands had paid more attention and provided more facilities over the years, the amount of money that had to be spent would not have been so great. I cannot believe the Second Elected Member for Cayman Brac said that money should not have been spent on sports.

Hon. W. McKeeva Bush: (laughter) What do you want to spend it on?

Mr. Gilbert A. McLean: The hospital that was stopped.

Mrs. Edna M. Moyle: The provision of community development workers for the districts of these islands I felt was timely. If feel that these workers can relate to the children and the people in the community who need more help. They can relate to anyone in these communities and I think that they are doing a good job. The District Community Development Action Groups is another plus for this Minister. We go back to these words "West Bay, West Bay." He provided these groups in every district as far as I know.

I congratulate him on the family study that is being carried out and look forward to the implementation of the accepted recommendations of this study when it is completed. The crime survey is another priority to let us find out where we have the major problems and why we have those problems.

The National Youth Band is very good, but here I would like to pause. I know that the outer districts are supposed to take part in the national choir. I was a little disappointed when we had the Prayer Breakfast, while the national choir performed well, I did not see one familiar face from my district. That is not the problem of the Minister, it could have been a lack of transportation to attend practices and so forth. It is not the problem of the representative of North Side. This Member gave the North Side School (which has the largest number of the children who would be involved in the national choir and the national youth band) a brand new bus.

Hon. W. McKeeva Bush: Hear, hear! Take that Gilbert.

Mrs. Edna M. Moyle: It is a good thing that I am debating the Throne Speech and not the backward and forward things that have been thrown from the Second Elected Member for Cayman Brac and Little Cayman because he would be totally shocked at the answers that would come over the air.

I see that the Ministry intends to coordinate the provision of proper Adult Day Care Centre in West Bay and Bodden Town. These are needed and I always admire the facility that has been provided in East End. There is one person at that facility who has proven that these facilities are a plus to our elderly people. That person happens to be my uncle, and the change that has come over this man since being taken into the centre and getting proper care is unbelievable.

At this point I would like to draw attention to the provision of \$10,000 in this year's Budget to provide plans for a Senior Citizens Day Care Centre in the district of North Side which is much needed. There are a number of elderly people in my district who may not need to stay overnight at a physical facility even though we have two Members at the Pines Retirement Home, and one in East End from the district of North Side who is full-time. My greatest concern is for those elderly who are on medication and who are at home all day by themselves (because everyone has gone to work). To provide a Senior Citizens' Day Care Centre where these people can be dropped off in the mornings by their families on their way to work will be greatly appreciated by the people of that district because their medication would be administered on time, they would be given a hot meal and some sort of handiwork, plating or whatever, to keep their minds occupied.

The Speaker: Would the Member take a suspension at this time?

Mrs. Edna M. Moyle: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.38 AM

PROCEEDINGS RESUMED AT 12.03 PM

The Speaker: The Member for North Side continuing.

Mrs. Edna M. Moyle: When we took the suspension I was dealing with the Ministry for Community Development, Sports, Women's and Youth Affairs and Culture.

The provision of sports facilities in these islands over the last three years has been tremendous. The benefits to our youth cannot be named particularly in my district, there are a number of young boys who are juvenile problems juvenile delinquents who have repeatedly asked me, 'Mrs. Edna, can you get us a basketball court?' In 1996 a basketball court will become a reality for these young boys and girls in my district. They have become interested and involved, particularly in basketball, that they are now having their own hoops made up or their parents are buying them and putting them up at the side of their yards. Driving through that district you can see these young boys out there involved in something that is beneficial to them rather than walking around the district making a nuisance of themselves.

As long as I am in this Parliament, my support for sporting facilities for the young people of these islands will always be there. The Minister, I must emphasise again, has taken criticism but he took it for his people.

The National Sports and Recreation Centre in Spotts. When this recreation centre becomes a reality, I am certain that the people of these islands will use it. I think there is a walking track to be provided, If we drive the South Sound road after 6 o'clock in the evenings we will see the number of people who are walking. The motorists have no respect for these people who are walking so to have a safe walking track will be a plus.

Summer camps are to be applauded. Again I say (and perhaps I will become repetitious, I apologise) that such things as summer camps can be alternated. If they are in George Town one year, perhaps we could provide them in Bodden Town the next year, and the next year in West Bay, North Side. So that all the children have an opportunity...

(inaudible interjection by an Hon. Member)

Mrs. Edna M. Moyle: And Cayman Brac. (Thank you for reminding me. Because we look after Cayman Brac. But in speaking one can overlook something which is not deliberate) ...so that they can make use of these summer camps.

As it has been pointed out by the Minister, on several occasions in reference to the National Sports and Recreation Centre, this facility is not going to be an overnight project. It is going to be phased over a ten year period. So that all of these blarney stories about a national sports centre is going to be built in Sports, the Minister has made it very clear what this facility will be. He is very good and loud at making it clear; he speaks very clearly when dealing with matters concerning his Portfolio.

I am proud to see that the Ministry during 1996, intends to encourage greater cooperation with educational institutions so that a comprehensive physical education and sports curriculum can be offered. Having been a sports person during my time in school, the emphasis that was placed on physical education at my school helped one's mind to be kept clear; it gave them the opportunity to develop their gifts. Perhaps I was gifted, but having attended school in Jamaica and returning afterwards there were no provisions in this island for me to continue. But I know a number of my schoolmates who have done well in sports.

I think this is the beginning. I, for one, congratulate and support our National Football Team. But I think if these young men who give so willingly of their time had proper physical education and sports curriculum in school, they would have advanced much further than they have, even though I say they have done well. Perhaps it is timely for this physical education and sports curriculum to be developed for the Under-14 football teams so that they will be given a better opportunity at further advancement.

I now move to a subject very dear to my heart - Women's Affairs. Having brought this motion to this House early in 1995 to set up a Women's Affairs Office, I would like to congratulate the Minister, the Ministry and the Steering Committee for bringing about this office. As I understand, on March the 8th (which is International Women's Day) they intend to launch the office of Women's Affairs.

March the 8th is observed throughout the world as a United Nations International Women's Day and it is hoped

that on that day a decision will be taken to declare that day in the Cayman Islands, International Women's Day.

I have stayed clear of the actual development of this Women's Affairs Office, although I was appointed to be a part of the Steering Committee. Because I brought the motion and most people know that I can have an overbearing personality when I believe in something, I did not want to put upon the Steering Committee my ideas that they might have agreed with just because I was the politician who brought the motion. I rather it be the way it is set up with some very educated and experienced working women of these islands.

I say to the Minister that I look forward to educational programmes on our television for women. Some may say that the women of the Cayman Islands take advantage of educational opportunities. This I can agree with, particularly when it takes further education. But there are so many of our women who must be educated on the prevention of things like, breast cancer. These services must be offered to them and the quicker we do this the better the chances are in having healthier women in our society.

They must be educated as to where they can turn when there is abuse, particularly domestic abuse. Since this motion was brought to this Honourable House and unanimously passed (I do not know if it has been on an increase or more cases have been reported by the local press for which I thank them) it has brought out into the open and to the attention of the people responsible that this is a serious problem. A very serious problem! I think it stems from a circle; grandfathers beat grandmothers, fathers beat mothers, and sons beat wives, daughters beat husbands, and we have got to break this circle.

On that point being reminded of daughters beating husbands, the Business and Professional Women's Club wishes to work very closely with the Ministry responsible for Women's Affairs and to show that the women of this country want no special treatment for abuse than the men who are abused. We are going to launch in November, Sixteen Days of Activism against Gender Violence. But the women and the men, if they are out there and are being abused, are not aware of where they can go to seek help. It is not my intention to portray that I would like to see marriages dissolved. I believe we should use this Women's Affairs Office and provide the necessary services, provide facilities for the abused, so that they can be taken away from the situation, and whomever is doing the beating (whether it be the husband or the wife) can be counselled and something can be worked out where we can get these people back together. All should realise that abuse is not what a marriage should consist of.

I say that I believe that the real victims of abuse in most instances are our precious children. We hear stories of them squealing when daddy hits mummy, or mummy hits daddy. These are lasting impressions and we as a country and as legislators must do everything we can to stop this abuse in our society.

The last section of this Throne Speech that I will speak on deals with Labour and Human Resources. The Minister responsible for this department has a very large burden to carry, in that he must portray in fairness to the employer, and fairness to the employee. And no matter what he does for the employers they are going to say it is unfair and no matter what he does for the employees, they are going to say he is unfair. A position has to be taken in the Cayman Islands and when I say this, I speak as Edna

Moyle, personally. I have not discussed this with the National Team Members and I do not know their feelings about it, but because of my concern for the working people of these islands we need to return to a roll-over policy in this country. I would like to stress here, in case I am interpreted incorrectly, that for many years to come this country will need foreign labour whether it be top management, middle management, or at the bottom (supervisors), but I say that when people are given work permits and allowed to remain in these islands for 14 years with young Caymanians working below them and, at the end of those 14 years that Caymanian is no further ahead than he or she was when they started 14 years ago has got to stop.

It is like a bomb that is about to explode (and the situation in the Cayman Islands is ideal), it can work for those who are among us as guests on work permits; and it can work for the Caymanian, but let us show them that he or she can contribute and by contributing they can move up on the ladder. If I were on a work permit in another country and at the end of ten years I was able to train a young person from that country and say to him/her, 'Here are the reigns, you take over and develop your country', I would have done a good job.

We must insist that the Caymanians who are filling these positions are given training, whether it be on-the-job or otherwise. These companies which are contributing to this country by their mere presence are contributing to their coffers. It is time they find among their staff Caymanians who have the ability, the willingness, the loyalty to go off and train and come back with their certificate to fill these positions. The days of Caymanians like myself (I grew up with my father, a good old born and bred Caymanian) who bow and say Mr. and Mrs. and say this and say that are over. We must give our Caymanians every opportunity - not as the Chamber of Commerce said some months ago, that Caymanians should be satisfied with a small piece of the pie. That was an insult to the Cayman Islands. A grave insult to our Caymanians.

It is as I said in my debate yesterday about the problems in the Civil Service, of people who have young qualified Caymanians (brilliant Caymanians) as their Deputies and have to give the go ahead for them to move up. They are not going to do it. Let us be realistic! We are all human beings. And the Chamber of Commerce is in that position, naturally they want us to issue as many work permits as possible, it is to their gain. I believe that our Caymanians are capable. Nobody is going to tell me that we do not have Caymanians in this country who can fill some of these jobs. Nobody! It is just that they are not being given the opportunity.

We have heard that the Caymanians' attitude in the labour force is, 'I am a Caymanian and I have to have a job.' I do not agree with that attitude and I feel that we as Caymanians must perform as good as anyone else on a work permit. We must be prepared to further our education, but when we have done these things we must be given our rightful positions in the jobs in this country.

Hon. W. McKeeva Bush: Hear, hear!

Mrs. Edna M. Moyle: When the Minister brought the amendment to the Labour Law, there was a hue and cry, there were emergency meetings held by organisations. Until

we as Caymanians unite and uphold our Caymanians, we have a long way to go. When he was trying to get through the Labour (Amendment) Law (more benefits for the people), everyone cried out on the cost. If these services that are necessary are not contributed to by those persons in business, the full responsibility falls on the shoulders of the Government. Then we hear that the Government should not be doing this, the Government should not be doing that for the elderly, the Government should not be doing this for that. But what are we going to do? The private sector is not prepared to help them. If Government does not help them several of them will starve. When it comes to the elderly in the Cayman Islands we must hold the greatest of respect for them.

We sit here today and we live in a beautiful island. We have a standard of living next to none in the region. But I wonder if people ever stop to think about why we have been able to achieve this standard of living; why we have been able to bring about an island that people would like to invest in. I know it is because of the legislation that is on our books and I know it is because of the vigilance of the persons responsible. But if we move back in time, it is due to our elderly. They were the ones who made us the men and women that we are today; they were the ones who kept the families together; they were the ones who inched and pinched to pay the school fees to help their children advance educationally. They were the ones who had the foresight to look at their children and say: 'Take your education seriously because the day may come (particularly for their daughters) when someone abuses you in a relationship and you will want to move on. They can take your clothes, they can take your money and your food; they can take your house, but they cannot take your education. With your education you can move on to great heights in your country.' It is because of these elderly Caymanians why this country has advanced.

(applause by some Hon. Members)

Mrs. Edna M. Moyle: There is one sentence at the end of His Excellency's Throne Speech which I will touch on briefly before ending my debate. It says: "The levell and quality of work produced by the CMI Service is first class." You can be proud of them. I do not think that a statement could be more earned by our civil servants than this. These people work very hard, they take a lot of abuse from the general public, letters are written that the only thing the National Team did since they got in was to increase their salaries twice. I do not think that it was this Parliament that brought the motion to increase salaries, nor this Member for North Side. I wonder if these people are saying that because the National Team's Government has done so well with the finances of this country, and have been able to offer these hard working civil servants two increases in salary since our time in this House, that they did not deserve it.

I believe that those civil servants deserve every penny of that salary increase. I also believe, and I am certain that the salary I draw as a Member of this Legislative Assembly... I work extremely hard for my people. If it is 4 o'clock in the morning and there is a problem, or if it is 2 o'clock in the morning and there is a problem, I am there. Perhaps I was the one who said that salaries would be cut, but that was because the last set of Members did not work for their people.

Hon. W. McKeever Bush: Hear, hear!

Mrs. Edna M. Moyle: I have come to the end of my contribution, but there is one bouquet that passed me (because I know when my friend on the right gets up to speak he is going to talk about the bouquets I threw at my Ministers. I throw bouquets where they are due.), that is the one for the North Side Civic Centre. A dream for the people of this district has come about. They now have a facility that they can be proud of. They now have a facility that is next to none in these islands.

But when representatives of this Parliament have been elected because of their concern for their people, this will always happen, and this is what the Ministers and Members of this Honourable House presently sitting are all about: their People.

I say as His Excellency the Governor said: "I pray that Almighty God in his mercy and wisdom will continue to bless and guide the people of these Islands and all who serve Him."

Thank you, Madam Speaker.

The Speaker: If Members would prefer to take the luncheon break at this time and come back at 2 o'clock?

I understand there is a Business Committee Meeting at 2 o'clock. Is that correct? Honourable Minister for Education and Planning.

Hon. Truman M. Boddin: Madam Speaker, I move the suspension at a time that would suit you, Ma'am. So you can adjourn until 2 o'clock.

The Speaker: I think probably until 2.15 pm and the usual meeting at 2.15 will take place at 2 o'clock. Proceedings will be suspended until 2.15 pm.

PROCEEDINGS SUSPENDED AT 12.33 PM

PROCEEDINGS RESUMED AT 2.28 PM

The Speaker: Please be seated. Debate continues on the Throne Speech. The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: Thank you, Madam Speaker. I also rise to offer my congratulation to His Excellency the Governor and the Government for the excellent state of the Union Address that was recently presented in this Legislative Assembly.

What impressed me more than anything else was that for the first time in a number of years this country is not faced with any serious major issues. Just out of interest I went and looked at some of the Throne Speeches that were made back in 1992, the first part of 1993 and at that stage tourism was down 6% in 1992; unemployment was still a problem and the government of the day (that is the past government) was grappling with solutions for these problems.

Today we boast of full employment, boast of all time increases for tourism; the financial community is moving along well and the construction industry seems to be at full throttle. I recall many of the contractors (to whom I speak today) were sitting on their hands a few years ago and today their message is, 'We have more business than we can handle.' That speaks well for this Government and its leadership. I believe that the people of this country were very wise in their selections in 1992 and there are leaders in place today who are capable and honest, who have the confidence of the financial community and the country as a whole.

I believe that if people were honest they would have to say that things are much better today than they were four years ago when we took over. We still have a number of issues that need to be addressed, but so much time was spent on reversing the financial position of Government, curtailing the runaway policy of expenditures as compared to revenue, that sufficient time was not available to deal with many of the issues that we should have dealt with. They are being addressed and I will mention in greater detail further on in my debate some of those issues that I feel still have to be addressed.

I welcome the plan for the review of the Civil Service as mentioned in the Throne Speech. I honestly believe and support the philosophy or approach that is planned, that is where pay relates to performance. We need to take a very revolutionary approach (a new approach) to the service as far as how we go about reducing costs, eliminating some of the inefficiencies and be in a position where we can attract and reward those good Caymanian civil servants who chose to make the Service a career.

I believe that the structure of the service does not lend itself to much incentive as far as civil servants are concerned regardless of how efficient they are, the many long hours they put in and what contribution they make. They are only paid a certain salary for their labour. As an employer myself, I realise how important it is to keep your staff motivated, and keep them in a frame of mind where they feel that they are appreciated and their performances are recognised.

In the private sector some of the things that are in place are: Employee of the Month selection, where one is given a monetary award for outstanding customer service. They are also recognised in groups at staff meetings. Management, on the other hand, shares in the profits by way of performance bonuses. These are some of the types of approaches I think we need to take regarding the Civil Service. Rather than tying a civil servant down for 30 or 35 years and the only thing the Government can offer him is a little pension at the end of the day, the Service has to be in a position where there is more flexibility as far as Heads of Departments are concerned. One of the approaches that we may have to take (and I think we may have to be revolutionary in our thinking) is to say to a Head of Department, Here is your budget for the year and it does not matter to us how many people it takes for you to accomplish your objectives. But if you are able to bring it in under-budget then perhaps you might get a bonus, an increase or perhaps an extra week or two vacation.

I honestly believe that the size of the Service has to be addressed. Every year the percentage of civil servants and the services or benefits increases. Which means that every year there are less funds available to do all the other things that our people need (roads, additional schools) and the other services that are required and demanded by them. So we need to be in a position where the Civil Service is attractive, where we compensate performance and, at the same time, attract the very best among us as far as qualified Caymanians are concerned. For too long the Service has become a dumping ground for persons who cannot compete in the private sector or for persons here on a part-time basis whose wives (or husbands) need jobs for one or two years. We do have a Service that we can be proud of, but it can be improved. Those civil servants who do pull their weight will welcome such an approach as stated by His Excellency.

I am also pleased to see the new approach taken with the administration of the Police Force where a lot of the administrative jobs that were being done by police officers are now being administered by civilians. I also welcome (and I have seen them in my district and other districts especially the district of George Town) the sight of officers on foot patrol. That lends itself to better public relations. It gives the officers an opportunity to meet, mingle and establish relationships with members of the public and also puts them in a position where they can gain the confidence of members of the community which is so important in supporting or assisting them in doing their job effectively.

I can honestly say that we have a new Inspector in charge of the West Bay Police Station, Inspector Wood, an outstanding young Caymanian officer who has become involved in the community since being assigned to West Bay. He goes into the schools and tells the children about the dangers of drug abuse and other things, and has gone beyond that, having fund raising events to assist persons in that area who fall victim to accidents. It is amazing the amount of cooperation that the unit in West Bay has gained as a result of the approach by that officer and his staff.

So I do congratulate the police and the Commissioner on his revolutionary approach. The further they go in this direction improving their public relations, I believe the more effective they become.

The other thing that I want to mention is how effective the Task Force has been regarding the fighting of crime and eliminating or minimising the issue of drug trafficking or drug abuse. They are very vigilant and at the present time their success is very noticeable in the districts.

The other thing that I am also aware of is the marine patrol unit which is continuing its vigilance in protecting our shorelines. This must be constantly reinforced because even with that there are still a lot of drugs and firearms that are illegally being brought into this country by canoes or fishing boats from the outside. It is very important for us to do whatever is necessary in order to curtail this type of illegal activity here.

I am also pleased to hear of the future plans regarding the Prison in terms of the sentencing programme, increasing and expanding the drug counselling services and also continuing to upgrade and extend the educational opportunities to inmates in prison. One concern I have. I think it was in my first term I moved a motion regarding establishing a programme to assist inmates upon being released from prison in finding gainful employment. Many of our young people today are falling victim to drug abuse, acquiring a police record. They go to prison and upon their release it is held against them for the rest of their lives. If we do not reach out and try to assist and offer these young men and women a second chance, then all that is going to happen is that they will become repeat offenders and continue their life in criminal activity.

This effort has to be spearheaded by the Government and be supported by the private sector. I see no reason why we cannot employ some of these ex-prisoners in the Civil Service in the hourly paid department where they can earn an honest living, perhaps cleaning our beaches, cleaning the roadways, corridors, and any general maintenance programmes the Government has in place for schools or public buildings. Honestly, I see no reason why some of the hotels and other establishments cannot provide these

young men and women with the opportunity to serve in different capacities in their establishments. If they are given the opportunity and they mess up, then they have no one to blame but themselves. But I believe that everybody deserves a second chance.

I recall in 1988 (when I had my first experience in politics) sitting in the West Bay Town Hall from sundown that evening to 11 o'clock the next day being involved in the counting of the ballots. I said to myself, there must be a much more efficient process than this. I said, well I trust that by 1992 the process will have been improved. But we went through the same process in 1992. I think it even took a little longer in 1992 because we had a few more votes to count. What I am not thrilled about is that in 1996 we have to go through the same process in counting the ballots.

We, as a country, boast of being modern and civilised and we enjoy the best of technology. But I honestly do not see why there is such hesitation in this area. I understand the Election Supervisors have recommended certain equipment to be purchased in order to improve the efficiency during the election process. For some reason this has not come on stream as yet.

I heard some Members mention that it would take the fun away, but I do not regard it as a whole lot of fun sitting there for 12, 14, to 16 hours monitoring a count. I believe that time could be better served celebrating with our people after we win an election.

One of the recommendations was that we introduce a voter's registration process whereby once one turns 18 (which means that one would be eligible to vote) one is given a voter's registration card and it allows one to be in a position on voting day, to turn out at the poll and present one's card allowing one to vote. Now because that process is not in place we deprived a lot of young people of their privilege to vote because the cut off process is so early (I think it is in March or April) that persons who turn 18 during that time are allowed to vote, after that time they have to wait another four years. So I believe that if we had the voter's registration card programme in place we could extend the cut off time a bit nearer to the election, perhaps as close as September or October since election is scheduled for November. I trust that whoever is responsible for moving this process along will take the necessary steps in order to improve the system. I do not believe that the Ministers are to be blamed, I just believe that the Civil Service bureaucracy is probably at fault.

We are sometimes very hesitant to change even when it is in our best interest. What will happen this year as a result, because we probably have another 200 or 300 young people who became eligible since the last election, is that we will get home around midnight the next night waiting on the count. Anyway, I will continue to be a part of the system, and look forward to some improvements when they are put into effect.

It would be good if two hours after the polls are closed we were in a position to give the results, which means by 7 or 8 o'clock we would know who our new representatives are and we could move on with the business of the country.

We must also congratulate the Minister for Education today as one of the primary promoters of the Cayman Islands Law School. Today the institution can boast of some of the finest Caymanian graduates (young persons as well

as other Caymanians have taken advantage of it) who come out with a very good education. They are well prepared and they move in to take up responsible positions with Government and the private sector. This kind of approach needs to be taken with other areas of shortage in this country, because this is a good example of a programme that has worked very well.

Another concern I have is the amount of time it takes to get new legislation drafted at present. For example, the Traffic Law, 1990, was approved here in the Legislative Assembly back in 1990. We recently received the regulations, but many of the provisions of that Law have still not been put in place. I keep getting excuses. One of the areas that I have a great deal of interest in is transportation. One of the things that we need to be in a position to do is to issue the respective licences depending on the type of transportation you are offering, whether it is a taxi licence, tour bus operator's licence and perhaps a ground transportation licence (that is for those people who operate between George Town and West Bay, or George Town to some of the other outer districts). At the present time that is an area that we definitely need to address.

I checked with the Police Department and their attitude was that there is nothing they can do because this licence is not in place whereby we can implement it and force people who provide the service to apply. As far as I am concerned, as long as they possess the required licence for that particular size vehicle, that is the extent of their interest at the present time. What the absence of this law has done is create chaos. Everybody and their grandmother who can find a bus to operate between George Town and West Bay, or from George Town to East End, is out there competing with our Caymanians in trying to make a living. It makes it very difficult for our Caymanians who depend on that industry for their livelihood.

I urge the Government to address this very serious issue to see to it that whatever licences or regulations or amendments that have to be drafted are drafted. My approach has always been, if you have someone responsible for doing something and he cannot get it done, you have one or two choices; (1) if he is overworked you give him additional staff, and (2) if he is not capable of doing the work then remove that person. There are so many alternatives in this country regarding legal advice that I see no reason why some of these types of legislation cannot be drafted by people with legal ability in the private sector, reviewed by someone in the Legal Department and, if it is okayed, it is put into force. This situation will only continue to get worse if we do not address it at this stage.

I do not think it lends itself to good administration if we as legislators approve legislation, then three or four years later it cannot be brought into effect because of the inability to draft regulations.

Regarding the Portfolio of Finance and Development, I want to add my congratulations to the Customs Department for achieving its outstanding milestone for the last budget revenue (which was the highest in the history of this country). It appears that whatever goals we set for that department regarding revenue, we must recognise that the Customs Department is the most important revenue-earning department in Government. And it does a good job. I am proud that it is one of the few departments in Government where we have no problem attracting young qualified Cay-

manians. The collector is a Caymanian, he has three deputies who are Caymanians and then there is the support staff who are all Caymanian. That speaks well for the leadership of the department.

One of the concerns I have (and the Customs Department is expanding and has to move ahead regarding the services and the responsibilities that it undertakes especially, in the day and age we now live), is that they have to develop expertise in fraud detection and all the other illegal activities that people engage in in order to evade the customs duties. As I have said, this department has worked in harmony for many years. As a matter of fact, my first job upon graduating from High School was as a Customs Officer. Back then Mr. Clarence Thompson was the Collector of Customs. This department has grown over the years and it now boasts of modern facilities and runs in-house training programmes for the officers. We need to do whatever we have to do to ensure that the harmony within that department is maintained.

I am aware of some division which exists at the present time, caused by the new Customs Advisor who has been brought in (and let me say that this is not the first advisor that the Customs Department has had). We had a gentleman by the name of Mr. Lally there for many years and his role was strictly that - an advisor. He was there to show the young Collector of Customs exactly what he had to do as collector and also to assist with training the young officers. But he did not get into the day-to-day management of the department. The Customs Officers loved this gentleman and they were very sorry when the time came for him to leave. Since his departure we have had a new advisor who, according to my information, has caused all kinds of disruption in that department, because he did not come in as the advisor. I honestly believe that he wants to be the Collector of Customs and a dictator like so many persons from the outside.

My uncle from North Side has said that as long as they come here on an aeroplane with a briefcase, we all regard them as experts. I believe that that department has the expertise and experience in-house to carry out whatever programmes are necessary for expansion in the department.

If you need to send someone away on secondment in a specialised area, let us do that. These officers, as I have said, are capable and willing to expose themselves to whatever additional course may be required in order to be in a position to effectively carry out their responsibilities.

I trust that the Financial Secretary, who is the head of this department, will be wise and exercise care regarding any future decision taken to extend the time of this gentleman here in the Cayman Islands. It was my understanding that this gentleman's contract (which was a three month extension) expired in April. But it is now being mooted that it is going to be renewed for another year. I do not believe that it is in the best interest of that department, but we as politicians are not supposed to get involved in Civil Service matters. So I have to be very careful, even with the prodding by the Fourth Elected Member for George Town, I cannot allow him to lead me down blind paths and then turn his back on me like he did regarding the vote on the Chief Immigration Officer the other day.

(Hon. Members' laughter)

Mr. John D. Jefferson, Jr: So, I am very serious about this. I think it is time for us in this country to give our Caymanians a chance to prove that they are capable of doing the jobs that are available. Half of the people I see coming here, have to be taught what they are responsible for in the first place, then, once they learn what their responsibilities are, they take over. But as I have said, I believe this department has the expertise in house to deal with whatever programmes it embarks upon and that expertise should be utilised. As far as I am concerned he failed to carry out his responsibilities in the first place. He, the Chief Immigration Officer, wasted a whole year or whatever it was, rather than meddling in the department he should have been out there training the staff as he was brought in to do and take care of the other things that fell within his responsibility.

I have confidence that the Financial Secretary and the Collector of Customs will do the right thing regarding this issue.

I am also very pleased to see that plans are well in hand for the establishment of the debt collection unit in the Treasury Department. I think it is planned that the person who is employed will have a legal background and it would be a person specifically responsible for the issue of debt collecting.

I was one of those who, from the very beginning, did not believe that passing on this responsibility to the Legal Department would have worked. The Legal Department is very busy taking care of their responsibilities with respect to the courts, and I do not think it would have been fair to put them in charge of debt collection. I would say that is not a legal responsibility. You need legal advice on certain aspects, but it is strictly an administrative responsibility.

There is a lot of money owed to Government, and I would daresay that if Government had collected what is owed to them today that the Financial Secretary would be in a much better position to meet the daily demands for projects and other requests that he is faced with. Government has to be run as a business, and one gets the impression (it is perhaps the wrong impression) that these things are only looked at when some politician or somebody else brings it to the forefront; garbage fees, hospital fees and all the other services that the Government offers to its citizens. Government must operate in a businesslike and professional manner and ensure that those who can afford to pay, pay.

I am very pleased to see the scheduled tourist attractions outlined in the Throne Speech (that is, the improvements at the Botanic Park in Frank Sound, the restoration of Pedro Castle) because one of the things that we are very short of in this country is tourist attractions. We have the Conch Shell House, the Turtle Farm, and we have Hell, but beyond that what we have available is somewhat limited. We have to continue to provide new attractions to our visitors who take time out to visit us.

I am also pleased to see, and I support the idea of the plans to restore the Boatswain Bay School house where some of the women from the district will be able to display their arts and crafts to tourists who visit from time to time. I believe this would also encourage our local arts and crafts which are becoming a rare culture among us. And I think it is important for us to be able to pass on to our children our Caymanian heritage and former way of life.

I am pleased to see that plans are well on the way for the establishment of the West Bay district public beach

(which will consist of cabanas, rest room facilities) where people in the district will have a convenient place to swim. I believe this is very positive and speaks well for the representation of the district.

I have heard many comments regarding the reasons for the recent performance in the tourism industry. The Opposition has said it is as a result of the well-grounded base that the former Member put in place. It has nothing to do with the former administration. That is total nonsense! The former Governor, Mr. Scott, delivered his last Throne Speech back in 1992 (I am not sure when it was), and one of the things that was mentioned was that tourism was down some six percent. It was a real concern based on the trend that was taking place in that industry. In those days there was interest in trying to diversify our tourism resources from just being 90% or 95% from the United States. There was also an interest to expand that industry to attract the European visitor. We now have direct flights from London to the Cayman Islands because of the present Minister's ability.

As I have said, this is a major accomplishment because I am told that the European visitor stays a little longer and spends more money. What this also does is it allows us to diversify our tourism sector. Every time there is a hiccup in the United States, we feel it here by way of a slowdown in tourism. But with the diversity we are able to minimise the effect that those hiccups have on us.

One of the areas that I honestly believe we need to address (and this has to be a joint effort, perhaps, between the Minister of Tourism, the Minister for Community Development and even the Minister for Education) is a proper training programme in the tourism industry. I think it is a good place to start for there are thousands of persons, I would say, at the present time who are employed and have to come from outside the Cayman Islands, because we do not have the expertise among the local Caymanians.

I believe that one has to look at the type of wages that are being offered in order to attract persons in that industry. Who can live on \$2.50 per hour or \$3.00 an hour? It is very difficult. As a result of that what is happening is that we are not able to attract Caymanians in the numbers we need to in the industry.

There was an arrangement in place where every winter we allowed the huge hotels to bring in a certain number of workers from Ireland to assist during the height of the tourist season. This was not in this Government's term alone but by the previous government. But that has encouraged those large hotel operators to say, "We can get labourers, so why should we even attempt to find local Caymanians to bring into the industry?"

The visitors who comes to our shores to enjoy our beaches, our friendly environment, want an opportunity to meet some of the local people. I have heard comments to the effect of, 'I have been here for three days and have not met a Caymanian as yet. When I came in the taxi driver was not a Caymanian, my hotel maid is not a Caymanian, the waitress at the restaurant is not a Caymanian.' If I go to Jamaica, I want to be in a position where I can meet some of the Jamaicans. If I go to England, I want to meet English people. So when the visitors come to the Cayman Islands, they want to meet Caymanians.

I believe we need to really look at what is being offered in the way of wages, not only in the tourism industry, I believe this holds true for other industries as well. As a Gov-

ernment and as leaders we should be able to say, "Ladies and gentlemen, you have an opportunity to operate in this country, but here are some of the conditions: one is to employ as many Caymanians as are available."

I get young men, in particular from the district of West Bay, who have called to say, 'Mr. Jefferson, I have been to the hotels, I have been everywhere and I cannot find a job.' But when you walk into those hotels, nine out of the ten faces you see are people who are foreigners. They are not doing any job that a Caymanian would not be willing to do and would welcome. I believe we have made it much too easy to obtain a work permit in this country at the expense of some of our people.

I know there were plans (as I have heard it mooted) about raising work permit fees especially at the professional level. I support that 100%. I believe there will always be a need to bring in persons from the outside

(I honestly believe that), but more and more Caymanians are going abroad with the assistance of Government scholarships, personal financing and are qualifying themselves with the idea of coming back to find employment. A lot of times what happens when they get back here, they are told, "We do not have any jobs available for you." This is total nonsense.

Government has to set the example in this area, because I was told recently that two young persons came back qualified as social workers and were told that there are no positions available. What do you do? We should be in a position that if there is no position available, we create a position and say that there is an officer on contract whose contract expires within a year. Let the person work along with that individual and when the contract is up he moves out and the young Caymanian moves in.

We are living in a very unrealistic world if we believe that a foreign person is going to come into this country train a Caymanian on a voluntary basis to take over for him and move on. Nine Out of ten times that does not happen because I would daresay, the Cayman Islands is probably one of the best places they have been to, the benefits and salary they get here they cannot get back at home (the chances are that back home they are unemployed), and it is a tax free environment. So they do very well. They are not anxious to train a Caymanian and leave.

This is where leadership comes in. Being leaders does not always put us in a very popular position, but being a leader sometimes you have to do what you have to do. This is something we must insist on, that more of our people are trained and that they have a career path available to them where they can see where they will be in three to five years and also be given an opportunity to earn a decent living. What I have seen happen in some of the big hotels, they put a token Caymanian at the top and that is it.

Another thing that I have seen which is very discouraging, is that we harp on the idea that we want

Caymanians advancing by being promoted, but a lot of times when they get in the position where they have influence in the decision-making process they are our Caymanians worst enemies. Rather than try to genuinely promote and recruit Caymanians, they could not care less. They would rather employ a foreigner than employ their own Caymanians. So I believe that training is an area we need to do more about, and we also need to remind the employers

of their responsibility to provide opportunities for those Caymanians who are willing and able to work.

The Director of the Port Authority has done a good job by keeping commerce moving and seeing to it that this country is supplied as efficiently as possible with the goods and services we need. The port is also responsible to a large extent, in conjunction with the Tourism Department, with cruise ship arrivals. Every year there is a lot of emphasis placed on the number of cruise ship passengers who visit the Cayman Islands. This is a good business and I would daresay that the Cayman Islands is probably one of their premier destinations. But I believe Government has to take the initiative to see to it that it is shared fairly. We need to be in a position where we maximise the returns from the tourism industry.

I have taken a few cruises myself (my wife and I) and I know what the passengers are told on those ships. The night or so before you reach the next port there is a briefing where a booklet is given out (and this is gospel to 95% of the passengers on those ships) and they are told that if they want to buy jewelry, do tours or whatever these are the establishments they must visit or the tour buses they must take. I find it kind of comical at times to see some of these cruise ship passengers in these back roads looking for this little shop here and there. For what and why? Looking for these bargains which they are told about on these cruise ships. They are told that if they take anyone else other than who was recommended, they cannot be guaranteed first class service or a quality product. Basically, what that is is deceptive advertising. A lot of times it is at the expense of the passenger himself.

An example of what I am talking about is, you are on that cruise ship and come to the Cayman Islands and want to go on an island tour. The chances are that it will cost you \$25 or \$30 per person to take that tour. Out of that \$30, say the local tour operator probably gets \$8 per person. The other \$22 goes into the pocket of the cruise ship operator. Whereby, if those passengers were allowed to come ashore and make their own arrangements it would probably cost them \$10 to \$15. So that is the reason why we hear comments such as, 'The Cayman Islands is one of the most expensive destinations around.' Why? because it is artificially priced by the cruise ships operators for them to maximise their return.

The persons I feel for in that industry are the small taxi operators and independent bus drivers. I did it for a year and a half. It is very discouraging to sit there and watch hundreds of people move and not one in a position to pick up any of the business. Sometimes you can spend the whole day out there and not even move to the beach (which was \$2.00 per person when I was doing it).

One of the big promotions is Stingray City. We see bus after bus, and the business is all controlled by foreigners. They have the money, they have the contacts, and are able to make the arrangements, and they carry the passengers off by the hundreds to Stingray City while many of our local dive boat operators and snorkel boat operators sit there and watch the parade go by.

You know the kind of resentment that creates among our people? When I see that Mr. Dalmain is able to feed his family, and day after day I sit out there not able to benefit from that business - and I am a Caymanian.... It does

not create good feelings. So I believe it is time for us to address this issue.

My Government has done very well over the last three years in addressing the issues that we are faced with in this country. But we still have a little work to do, and this is one of the areas that we need to address.

I believe that we need to have a round table pow-wow with representatives from the Tour Bus Operators Association, the Independent Operators Association, the cruise ships and perhaps representatives from Government to sit down and say 'Ladies and gentlemen, we need a solution. Either you assist us in finding one, or we will find one ourselves. But this cannot continue to take place.' This has gotten to the extent where, if you are a small dive boat operator, even the hotels refuse to allow you to display brochures in their lobby, in other words, put something on the racks with all the other brochures to allow you to promote your business. Now that is going a little too far. As I have said, it only creates ill-will and resentment among our people. It has to be addressed.

I see that there are plans by the Port Authority for a third jetty. I would say, I trust that it is not planned for the Hog Sty Bay area. On a cruise ship day, downtown is so congested especially in that area, people walking up and down making nuisances of themselves. As I have said, we need to be in a position where we farm out the benefits that we receive from that industry to other districts where taxi drivers and bus operators are able to at least pick up a fare by taking passengers from wherever they are going into town for shopping. We do not need any further congestion in Hog Sty Bay, and I trust that this development is not planned for that area.

One thing to remember is that Government is going to have to dictate to those cruise ship operators what the rules of the game are. I am aware that the present Minister has sat down with them time and time again attempting to get their cooperation in resolving this problem. They give the impression that they will cooperate, then find some way of getting around whatever they agree on, going right back to what they were doing before. So I believe it is time for us to address this issue once and for all.

Some people are not going to be happy, but that is of little concern to me. What has to be the guiding principle is what is in the best interest of this country and our people.

Moving on to the Ministry for Health, Drug Abuse Prevention and Rehabilitation, I am very pleased to hear of plans to introduce a National Health Insurance programme in this country. It is very much needed, and I know the Minister has been working from the time he has been in office (and the Minister before that) in trying to arrive at a plan that is affordable to all and one that will work. But it is an issue that has to be addressed. We have to be in a position where the employer and the employee make a contribution to this very important issue.

What happens at the present time is that most people do not carry a personal health insurance or the company they work for does not offer it. So if someone gets sick or has an accident that financial burden falls on the Government. In most cases they are referred overseas and in a lot of instances it costs the Government and the people of this country hundreds of thousands of dollars. So I look forward to seeing the details of the programme and be in a position

to support this very essential service which we need in this country.

I am heartened to see that plans are well on the way for the construction of the new hospital. I think in answer to a question the other day, the Minister replied that the bids were in and will be handled by the Central Tenders Committee. Hopefully the contract will be awarded shortly and we can get on with the continued construction programme for the health facility.

One of the things the National Team promised our people was that we would provide a health facility that they could be proud of and one that the country can afford. I went to the ground breaking ceremony sometime ago when they were constructing the storage facilities and I also had an opportunity to view some of the plans for the new hospital and talk to some of the medical staff. What I was most impressed with was the level of enthusiasm among these officers and also to learn of the magnitude of the input they had in these plans. I think that is the right approach because they work in this facility on a daily basis and see the weaknesses. So they are in a position to make recommendations for the best, practical facility.

I congratulate the Minister and tell him to keep moving forward with his plan because he is doing a fantastic job.

The Speaker: Would you take a suspension at this time?

Mr. John D. Jefferson, Jr: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 3.4.8 PM

PROCEEDINGS RESUMED AT 4.15 PM

The Speaker: The Third Elected Member for West Bay continuing.

Mr. John D. Jefferson, Jr: Madam Speaker, when we took the break I was dealing with the Health Services. I mentioned that plans are well on the way for the new hospital. It is my understanding that this facility will be completed within the next two years - the entire process. I believe that at that time we will have a facility we can be proud of, one that we will be able to afford, and one that will meet the health care needs many years in the future.

It is time that the Opposition drops the Dr. Hortor Memorial Hospital issue. Even they are convinced (that is the two Opposition Members in this House) that it could not work. It is just that at the present time they find themselves in the company of the former Member for Health, who did not listen to anyone but went ahead and did what he felt like doing with the support of his colleagues in Executive Council. That could not work. As I have said, I think it is time for us to put that issue behind us. At the present time that is of no concern to the majority of the people in this country.

I recall that the hospital was a major issue in the 1992 General Election. The National Team told the people before they were elected what they were going to do - we were going to stop it and construct a hospital on the existing site which seemed to have the support of the majority of the people. So it is time for us now to join forces, mend the

fences in this area and support the new Minister for Health on the new hospital project. Even the First Elected Member for Bodden Town (my good friend) was part of the National Team.

Mr. Roy Bodden: Emphasis on was.

Mr. John D. Jefferson, Jr: He ran as part of the team and subscribed to the same manifesto we did and that issue was a part of our Manifesto - a hospital on the existing site.

I am also pleased to learn that plans are well on the way for a district health centre for West Bay. Construction will start shortly and hopefully we will have it in place between now and early September. There are also plans for one in East End and North Side. What I like about this Government is that all districts have benefitted during our administration: East End did not get everything nor did West Bay get everything or George Town get everything, we shared it up very fairly, including the Sister Islands. They have gotten a fair share of the Budget on an annual basis. We continue to take that approach regarding services that are needed by our people regardless of who they supported and which district they live in.

I support the Minister regarding his approach on drug abuse prevention and rehabilitation. But it really pains my heart to see the number of young people who have succumbed to the disease (I would say) of drug abuse. Young people whose health have been ruined, whose reputations have been ruined, whose ambitions have been lost and they move from one hour to the next wondering where they can get their next high or hit from. I believe that there is a need for greater district vigilance. I am a sort of dictator when it comes to this sort of thing, because I see many of our young people in the middle of the day just roaming back and forth, playing no essential role whatsoever, just looking for drugs.

We need to address this very serious issue in this country. I do not know how you address it, but we need to find a solution to this problem. I think it is too easy for those persons who are interested to get involved in that activity to get drugs. It is a very difficult thing to shut off because you are surrounded by water but I believe that a little country this size, we have to try to gain greater control over this scourge in this country.

The other thing that concerns me is that it is evident that there are certain well known individuals known to be engaged in this type of illegal activity. They have cars, homes, boats, the very best of what is available and they do not work. It seems that they can go from year to year with no break in their activities whatsoever. It baffles me because if we know who those persons are perhaps the police should know. But we have to get to the place in this country where, politically or otherwise, all of those boys or girls who engage in that sort of activity have an "X", and the leaders say, irrespective of your support, this type of activity is not going to be encouraged or condoned. 'If you are drug trafficking and are caught, you must pay the penalty.'

I believe we are much too tolerant regarding this issue. We need to impose stiffer sentences. I also understand that the 1976 to 1984 Government had put in place minimum mandatory sentences for drug trafficking. What that did when someone went before the court was put the magistrate in a position to hand down a minimum sentence. I think it was wrong to remove those mandatory sentences, leaving it

up to the discretion of the court. Some of the decisions taken recently regarding drug trafficking do not in themselves discourage that type of activity. I believe we have to increase the sentences and we have to reinstitute in the law mandatory sentences.

We may not be in a position where we control (and I would not want to be in that position) but we as legislators should be in a position where we know if someone goes before the court and is convicted of this type of activity the minimum they are going to get is 15, 20 or 25 years. We know offhand what the position is going to be. The magistrate then is in a position where he can use his discretion to give him 15 years instead of five years. But we have to start from a minimum position in regards to this type of sentencing.

I believe that greater emphasis and effort has to be directed at controlling drug traffickers in this country. Those, as I have said, who are well known and who live with us in the communities should be arrested; and when convicted their assets should be seized. Young people coming out of school see them as heroes, and that is basically what they have become. They walk around wearing 20 gold chains, and rings on every finger. They drive flashy cars that you and I cannot afford. They seem to be able to do as they like and make good money even though they lie around until 10 o'clock, while you and I have to be at work by 8.30 in the morning. This does not encourage young people in our country to choose an honest way of life.

I recall one trafficker who was convicted and came running to the politicians for assistance. My position is that I have no desire whatsoever for that kind of activity. I do not condone it, nor do I support it, and anyone who takes the risk of engaging in it and gets caught, then the courts and the prison system must deal with him. But I believe that we need to be in a position where there is greater emphasis and effort placed on dealing with this type of activity in our districts.

I am also pleased to learn that plans underway for the renovation of the facilities that were purchased for the purpose of rehabilitation (that is resident rehabilitation). This is a facility that we dearly need in this country. The former Government's approach was that if somebody needed an overseas referral they would be willing to consider it. That has not happened and the reason why it has not is because it is so expensive to send somebody overseas to one of those Rehabilitation Centres. The success rate is not high. Because you move an individual out of this environment, and put him in an environment for three to six months - and he is fine while he is there. But when he comes back here he moves into the very comfortable surroundings and within a short time he is right back into that activity.

If we had a facility here where persons could become residents and, perhaps on a release programme, they are able to go back for the evening or weekends and gradually be released into society, this would be more effective in treating this problem of drug abuse. It would also reduce the cost because it does not matter if 100 persons need the assistance or two persons, we would have the facility and the personnel to provide the service; so to maximise the use of the facility, would be a plus. Every person who has an interest in fighting this difficult addiction would be in a position to get the opportunity he needs. Right now that is not the case. It is very expensive to refer someone overseas for treatment

and a lot of times the Government says, 'We can treat that person locally. He does not need an overseas referral.' Why? The majority of the time that decision is based on the financial cost for that service overseas.

I welcome the announcement that this facility will be coming on stream pretty soon. This is an issue that I have campaigned on since 1988, and I am pleased to see that pretty soon this will become a reality in this country.

MOMENT OF INTERRUPTION - 4.30 PM

The Speaker: Honourable Member, do you expect to be finished shortly?

Mr. John D. Jefferson, Jr: No, Madam Speaker.

The Speaker: In that case may I ask for the motion for the adjournment?

ADJOURNMENT

Hon. Truman M. Bodden: Madam Speaker, I move the adjournment of this Honourable House until Monday, at 10 o'clock.

The Speaker: The question is that the House do now adjourn until Monday morning at 10 o'clock.

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

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until Monday morning at 10 o'clock.

AT 4.30 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM MONDAY, 4TH MARCH, 1996.

**EDITED
MONDAY
4TH MARCH, 1996
10.06 AM**

The Speaker: I will ask the Member for North Side to say prayers.

PRAYERS

Mrs. Edna M. Moyle: Let us Pray.

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

Bless our Sovereign Lady Queen Elizabeth II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated.

Order. Proceedings are resumed.

Questions to Honourable Members and Ministers. Deferred question No. 1, the Second Elected Member for Cayman Brac and Little Cayman.

**QUESTIONS TO HONOURABLE
MEMBERS/MINISTERS**

DEFERRED QUESTION NO. 1

No. 1: Mr. Gilbert A. McLean asked the Honourable Minister responsible for Agriculture, Environment, Communications and Works has Government been approached by Cable & Wireless (Cayman Islands) Ltd. to institute a new system for the installation of telephone lines in homes and businesses and, if so, what does it entail.

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker. The answer: Yes, Cable & Wireless has approached Government and has adopted a new policy which provides its customers with a choice of contractors for the installation of telephone lines in homes and businesses. The new policy (named, Regulated Interconnect) still allows customers to choose Cable & Wireless for the installation of telecommunications wiring.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Honourable Minister elaborate on what is given in the answer as a choice of contractors for the installation of telephone lines in homes and businesses? To the best of my knowledge, when someone desires to have a telephone line installed, Cable & Wireless sends its technicians who have the know-how. How could persons other than these fit the bill?

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker. The contractor or individual interested in carrying out such a job would have an opportunity to take an installation course in the telecommunication wiring at the Community College of the Cayman Islands to become approved for such installation which would bring them up to par with the Cable & Wireless technicians.

The Speaker: The First Elected Member for Cayman Brac and Little Cayman.

Capt. Mabry S. Kirkconnell: Thank you, Madam Speaker. Would the Honourable Minister state if this is the actual connection from the pole to the building, or is it within the building only?

The Speaker: Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker. That would be the wiring of buildings.

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: I wonder if the Honourable Minister would say what kind of impact this would have on the waiting time we now experience in regard to getting a new telephone?

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker.

It is my understanding that this is one of the reasons it has been encouraged by Cable & Wireless - because the waiting period has been for long extended periods, especially for larger businesses, and it has become somewhat of a burden for Cable & Wireless to keep up with the wiring. Years ago we had the electric company do wiring. That stopped when the boom period started. This is similar now. For this reason they support the idea of individuals becoming knowledgeable in wiring and the course can be taken at the Community College where someone can become certified.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Have any figures been looked at as to what difference in cost, which might be incurred with a private contractor doing it, versus Cable & Wireless, and will Cable & Wireless ultimately have to approve the wiring within the building?

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Yes, the installation would have to be up to the standard of Cable & Wireless. Of course they will have to approve it before the final connection of house to pole. The cost, as I understand, would vary depending upon the project (residential or commercial). It is my understanding that the inspection cost, the approval in principle, for residential would be free of charge, the plans would be free of charge and there would also be no charge for random inspection. The interim inspections would be \$50, and final inspection would be \$100.

On commercial, the interim inspection would be \$100 and the final would be \$200. Approval in principle and plans and random inspections would all be free.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Is it that plans, as referred to in the Minister's reply, would actually have to be drawn plans approved by Cable & Wireless prior to electricians putting in the installation there?

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: As with the electrical plans where the points are shown where one would like to have electricity, it would be similar with the plans for telephones. It will be on the same plan, showing points for communications.

The Speaker: The next question is No. 9, standing in the name of the Fourth Elected Member for George Town.

DEFERRED QUESTION NO.9 No. 9:

Mr. D. Kurt Tibbetts asked the Honourable Minister responsible for Agriculture, Environment, Communications and Works to give an update on the ongoing street lighting programme.

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker. The answer: The details below are: a) the number of street lights installed; b) areas that are completed; c) areas that are not completed and; d) anticipated completion dates for the areas not yet finished.

East End:

From Tortuga Club to Monument
93 - 100 watt lights installed
13 - 400 watt lights installed

From School entrance to John McLean Drive
20 - 400 watt lights installed

John McLean Drive
29 - 100 watt lights installed

Frank Sound Junction to East End
105 - 100 watt lights installed
1 - 400 watt lights installed

East End Civic Centre
5 - 100 watt lights installed

East End to Morritts Tortuga
44 - 100 watt lights installed

North Side:

Old Man Bay Area to Monument
24 - 100 watt lights installed
2 - 400 watt lights installed

Frank Sound Road Junction to Old Man Bay
78 - 100 watt lights installed
8 - 400 watt lights installed

Bodden Town:

From Guard House to Drive-in
43 - 400 watt lights installed

Frank Sound to Bodden Town
60 - 100 watt lights installed

Bodden Town to Mango Tree Road
25 - 100 watt lights installed
6 - 400 watt lights installed

Mango Tree Road to Prospect Reef Spotts
47 - 100 watt lights installed
5 - 400 watt lights installed

Northward Road
2 - 100 watt lights installed

George Town:

Smith Cove to Walkers Road
10-100 watt lights installed
9 - 400 watt lights installed

Walkers Road from Boilers Rd. to South Church Street
47 - 400 watt lights installed

Road to Community College by Catholic Church and George Hicks High School
17 - 400 watt lights installed

Smith Road. from Thomas Russell Way to Boilers Road.
20 - 400 watt lights installed

Prospect from new Brewery to Junction Old Prospect Rd. Spotts
14- 400 watt lights installed

Crewe Rd. - Prospect have to South Sound Rd. entrance
5 - 400 watt lights installed

Crewe Rd. - Jose Esso to Prospect Haven
20 - 100 watt lights installed
2 - 400 watt lights installed

West Bay:

Church St. to Batobano Plaza
15 - 100 watt lights installed
3 - 400 watt lights installed

Rev. Blackman Rd. to Police Station to Town Hall
7 - 100 watt lights installed 3 - 400 watt lights installed

Town Hall Rd. to Four Way Stop to Town Hall
11 - 100 watt lights installed
2 - 400 watt lights installed

Areas not completed, and anticipated completion dates:

West Bay:

Willie Farrington Drive - March 1996;
Northwest Point Road - March 1996;
Watercourse Road -March 1996.

Prospect to Crewe Road - presently upgrading poles and lines poles should be in by March 1996.

Old Man Bay to Cayman Kai - March 1996;
Northward - April 1996

Frank Sound to Bodden Town - 27 lights remaining to be installed

West Bay - Pond Road to 4-way stop March 1996

Additionally, continuing requests from Members of the Legislative Assembly from the various districts are regularly included in the programme.

SUPPLEMENTARIES

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Could the Honourable Minister say exactly what method is employed when dealing with the requests from the representatives?

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: I often receive calls from Members asking for lights. Most of the time, I receive a letter identifying the area where the light is wanted. I in turn will contact the Public Works Department which will then deal directly with CUC to have the light installed.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Could the Honourable Minister say if he knows of any long outstanding requests for the district of George Town which have not been dealt with?

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker.

All the areas of the island have requests in much longer than anybody would like them to be. But the George Town district is the one district that we have had to attend to areas that are renowned for drugs and each time, as we get on the programme the way we would like to, we have had to change it to put in lights in the various other parts of George Town. This is why you will find that we have a greater number of 400 watt lights. We have had to do the water front straight to South Sound, we have had to do various areas - I think the most recent one is by the hospital where somebody was mugged right in the car park.

If there are some outstanding ones, we hope to get to them, but this is the reason why we have not addressed that as yet.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Minister say if there are any plans (outside of the normal public roads mentioned in answer to the question) to deal with subdivision areas from which requests have been coming, the larger subdivisions, especially?

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker.

That is nothing new; we have been doing this ever since the programme has been in place. As I receive requests, if it is in a dark area or areas where it is suspected that drugs are sold or used, we try to put that on our priority

list. Many of these requests have been in the larger subdivision areas as the Member has just pointed out.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Honourable Minister give an undertaking to this Member that whenever the programme reaches into the George Town district proper, that the Representatives for George Town will be able to meet with the Minister in order to deal with several outstanding matters? Having understood his answer, and accepting that there is reasonable method employed to solve the problem, and time is of the essence, would the Minister be prepared to meet with the Representatives so that we may be able to deal with some of these outstanding requests, as well as others that have been pointed out which we find (because of the ongoing programme) almost senseless to request at this time?

If we could get together with the Minister perhaps we could get some programme going mainly for areas where people live, not just main thoroughfares.

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: I have no problem meeting with any Representatives of this Honourable House. However, if there are areas that the Member is concerned about, and if he submits them to me, when we are in that area we will have them done. I think he knows this very well, because with the exception of the few which he thinks have been behind for some time, I would have thought that appreciation would have been shown for the many areas that we have done here in this district.

Just last year we put in over 100 lights here in George Town. The report I received, especially from the police, is that it has assisted them a lot with the areas of known criminal activity I mentioned earlier.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Should I fail to be grateful, it is not intentional. But my main concerns are with regard to things which are not done. So my question still remains - and I ask the Minister when he considers the time to be right if he could schedule a meeting with the representatives of the district.

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: The three other Members for George Town have met with me on various occasions and thanked me for the lights which have been installed in this district. I have no request from them to meet for further lights. I have made it abundantly clear that I have no problem meeting with any Member of this House, especially if it is going to help the country. I believe that the more lights we can put, especially in the areas I have mentioned, the better for this country. We are now aware of the many attacks that we have had on tourists. This is the reason why we have had to do the thoroughfares before we do the individual

places like the Member is concerned about. I hope that he will agree with me on this.

The Speaker The next question is No. 43, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO.43

No. 43: Mr. Gilbert A. McLean asked The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture how many guarantees have now been given under the Housing Mortgage Scheme, with a breakdown of amounts and percentages of equity.

The Speaker: The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: Thank you, Madam Speaker, the answer: As at 20th February, 1996, there were 28 guarantees executed by the Financial Secretary on behalf of Government in respect to the guaranteed Home Mortgage Scheme.

The dollar amount of the 28 guarantees issued by Government is C1\$935,000 which represents the standard guarantee of 35% of the upper layer of each of the 28 mortgages. The total dollar amount of the mortgage loans which have been approved by the four participating banks to date is C1\$7.4 million.

SUPPLEMENTARY

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Thank you, Madam Speaker. It has been said in public and I would ask the Minister if it is indeed possible that Government guarantees up to 100% on mortgages and if any have been requested or given, other than the 35%?

The Speaker: The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: Madam Speaker, the answer is no.

The Speaker: The next question is No. 44, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO.44

No. 44: Mr. D. Kurt Tibbetts asked The Honourable Minister responsible for Tourism, Aviation and Commerce to explain exactly how the new Taxi Rank area will function.

The Speaker: The Honourable Minister responsible for Tourism, Aviation and Commerce.

Hon. Thomas C. Jefferson: Thank you, Madam Speaker, the answer: The Taxi Rank on Thomas Russel Way is still under construction and the Port Authority has not yet completely finalised how it will function. When such details are finalised, I will inform this Honourable House in writing.

SUPPLEMENTARY

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: From looking at the site, all appearances indicate that it is nearing completion. Does the Minister know, or have any idea when this facility will begin being used?

The Speaker: The Honourable Minister responsible for Tourism, Aviation and Commerce

Hon. Thomas C. Jefferson: The facility has not been handed over to the Port Authority. My answer is that the functions have not been completely finalised. It really means that this matter has to be before the Port Authority Board to finalise it.

The Speaker: That concludes Question Time for this morning.

Government Business: The Third Elected Member for West Bay continuing the debate on the Throne Speech.

GOVERNMENT BUSINESS

DEBATE ON THE THRONE SPEECH DELIVERED BY HIS EXCELLENCY MR. JOHN OWEN, MBE, GOVERNOR OF THE CAYMAN ISLANDS, ON FRIDAY, 16TH FEBRUARY, 1996

(Continuation of debate thereon)

Mr. John D. Jefferson, Jr.: Thank you, Madam Speaker. When we adjourned on Friday I was dealing with the Ministry of Health, and I had arrived at the role of the Cayman Counselling Centre. I want to congratulate the staff at the centre and also the staff at the Cayman Islands Marine Institute, on the very effective programmes that they have put in place. From some of the young people that I have come in contact with, it is very evident that they have had a very positive impact on their lives.

I know, in particular, in the district of West Bay, that there are a number of young men who attend the Cayman Islands Marine Institute. These were what we would term 'bad boys'. Today they are productive citizens who hold jobs. They seem to have gotten their act together as far as fitting into the community.

I am also very pleased to see that the Counselling Service at Northward Prison will be expanded from one day per week to five days. The statistics tell us that 75% to 80% of the prisoners in Northward are there for drug related illegal activity. My opinion is that if they are there for drug consumption, regardless of whether or not they want to attend, they should be required to attend these counselling classes. What concerns me, and I have gotten to the stage where I believe that the Government has to lead by example, not only that, I think Government has to insist that we get the cooperation and

participation from the private sector with regard to providing employment for prisoners once they are released from prison.

Many of those ex-prisoners are young Caymanians who have made mistakes, but who are genuinely concerned and interested in getting on with their lives, fitting back into society, being in a position where they can support themselves and their families through honest employment. It is very difficult for these persons to find employment once they are released from prison.

I have advocated for a long time that there has to be a coordinated effort; somebody has to be in charge of a programme of this nature who works closely with Government and the private sector; one who advises the private sector and Government as to when certain inmates are being released. I also encouraged that a programme be started (and I think it is being done now) where some of these prisoners are allowed to go out on a part time basis to work while they are serving their sentences. By doing this the employer has an opportunity to see what the person is capable of doing. The prisoner adjusts and is mentally prepared to move on once he is released from prison.

I believe this is very important because a large percentage of our young people find themselves with a criminal record basically because of drug consumption. It is important for us to deal with this very important issue because if these young men and women cannot find honest employment, upon being released they will drift right back into the criminal activity which put them in prison in the first place. I believe Government should make this a priority and see to it that a programme of this nature is put in place.

Overall, I believe that the Minister for Health is doing a good job. He has only been there for two years, and the number of programmes he is spear-heading and putting forward are important programmes which we need in this country to address the many issues and problems we are facing. I congratulate the Minister and tell him that he has my support. Continue to keep up the good work.

Madam Speaker, I would like to move on to the Ministry for Education and Planning. I am pleased to see that the programme of implementing the new curriculum in schools is being done. I am aware that there is quite an effort at the present time at the West Bay Primary School; there are a lot of teachers and parents who are involved. I believe that is the approach that should be taken where you have the input from teachers and parents regarding the future educational needs of this country.

One of the areas that I am concerned about in education is special education in this country. I recall Rev. Shepherd from the Presbyterian Church in Boatswain Bay (I think) who was responsible for spearheading the Special Education programme as we know it today. I think the way it worked was that once Government saw the results of those efforts, they gradually moved in and took over the programme. What I am concerned about (and I was not aware of this until just recently) is that when the former Member for Education, Mr. Benson Ebanks, removed the reception classes at the Government Primary Schools, the reception class at the Lighthouse School was also eliminated.

This has caused numerous problems, because those young children who have special educational needs now have to be dealt with at home or in the few pre-schools which are capable of taking them in and seeing to it that they are supervised. It makes it very difficult for the private pre-schools to deal with children who have special needs along with all the other normal pre-school aged children.

The other thing that is surprising to me is the number of our children who fall in this category today, that is, special education.

The Sunrise Centre and the Lighthouse School facilities are bursting at the seams; they need additional space, they need additional equipment, and they need additional staff. I am aware that the Minister (that is the present Minister), has commissioned a team of educators to determine what their needs are and have plans to address those in this area. I would just encourage that Minister to make this a priority. These young people are part of our community and they need the attention that they deserve.

What has also been very encouraging is that a number of students from the Sunrise Centre, in particular, have been able to go out and secure employment to support themselves which makes them feel that they are productive members of our society. That is good, Madam Speaker, very, very good indeed.

I am constantly amazed at the accomplishments of these institutions (considering the limited space and the facilities that they have) and the kind of results they have gotten from working with, especially, physically handicapped, members of our community. A lot of these prior to attending these institutions were crippled, unable to support themselves; unable to even do basic things for themselves. Today, they are walking, they are able to find (as I have said before) employment by which to support themselves. They are doing very well indeed within the community. We must make the Sunrise Centre a priority.

If we cannot find a piece of property on which to build a facility, then we must expend every effort to see if we can find some place which can be renovated for this purpose. The situation is becoming very acute and has to be addressed. But I have confidence in the Minister for Education and Planning, and I am quite sure that like myself, he has made this area of education a priority.

I also want to congratulate the Principal and staff at the West Bay Primary School and the Education Council for recently taking the stand against Rastafarians in schools. I recall (I think it was my first term) getting a call from one of the parents. She said, "Mr. Jefferson, I am just calling to let you know that the principal of the school refuses to allow my child to attend school because he has dreadlocks (or long hair)." I said to the parent, 'I support that policy 100%, and if you want your child to attend school, then let him cut his hair.' I still maintain that position and I congratulate the school and the Education Council for having the guts to take and maintain that position.

One of the things I am proud of, as far as this Government is concerned, is the level of assistance that we have continued to give to the private schools in this country. It is recognised that if the private schools were not up to the standard that they are, then Government's responsibility regarding additional schools and other facilities would be much higher indeed. It is expensive for Government to provide the facilities that we require in this country for education.

I believe assisting the private schools is a good investment. I also believe that the private schools keep the Government schools on their toes, competitively because of the high standards that are maintained. So I do appreciate the level of support that we continue to give to the private schools and I trust that this policy will continue in the future.

Madam Speaker, I have one concern regarding Planning. When individuals who want to play it by the rules apply to the Planning Department for approval of a plan, it appears that the Planning Officers (some of them) impose (should I say unnecessary?) conditions as far as the approval process is concerned.

What this does is frustrate the persons who want to do it correctly. It also encourages people who want to build in the future to, rather than applying to the Planning Department for the necessary approval, go ahead and build anyway.

On the other hand, I believe that the Planning Department has to be more vigilant in stopping and discouraging the amount of illegal construction that goes on in this country. Not only illegal from the standpoint of not having the approval, but the kind of standards which are utilised and the kind of conditions that these persons allow people to live under are totally unacceptable.

I am aware of areas where I doubt there has been any Planning approval, where they have 10 or 15 apartments with tenants sharing a single bathroom or shower. This poses all sorts of health problems. I believe that Environmental Health and Planning have to work much closer together in order to eliminate this type of construction activity in our community.

I know for a fact that even in my district of West Bay we have had problems with this where developers has no regard for health or for the environment. They do whatever they feel like doing while renting these places.

What happens is that they become a nuisance to the entire community. Neighbours are affected by the stench and all the other things that go along with those sites because they are not built according to the rules and all the other things required by the Planning Department.

I encourage the Planning Team to continue to maintain a very high standard for construction, but at the same time to be reasonable with regard to requirements and to also focus on dealing with illegal construction in this country. That is a much more serious problem than trying to impose unreasonable conditions as far as applications are concerned.

I am pleased that the process has been streamlined where the Director and the Chairman of the Central Planning Authority has the authority to deal with residences and apartment complexes. This does speed up the process and also allows the Central Planning Authority to deal with construction applications from the commercial side rather than being responsible for all types of activities requiring approval.

Let me just finalise the Ministry of Education by commenting on Cayman Airways. I am very pleased to see that Cayman Airways is looking at the possibility of buying another 737-200 aircraft. I think this is a very good move. I am proud that Cayman Airways can hold its own with proper management and a Board in place that knows what it is doing, along with Government's support at a certain level.

Cayman Airways is no longer a political football, the airline is doing very well and is holding its own against the feared competition that has come into this country. I believe that Caymanians are still very patriotic and a large percentage of them continue to fly Cayman Airways with confidence and pride because the airline is doing very well. I believe that the airline is in very good hands at the present time. I want to also congratulate the Minister for Education for his very capable leadership in these areas. I believe that he has done a very good job.

Moving on to the Ministry of Agriculture, Environment, Communications and Works: This is also a very big and important Ministry. I just want to say that we should continue to recognise the role of the Mosquito Research and Control Unit. I think they are celebrating their 30th anniversary. Just yesterday we had some guests at our home and we were discussing the Cayman Islands and the progress that has been seen here. The couple had not been here for 15 years and they were amazed at the amount of progress and development which has been made since their last visit.

They asked me how it was in the days before the MRCU was established. I told them that I recalled those days very vividly. The mosquitoes were so thick that if you ventured outside you either had to have a smoke pot or a Shamrock limb to keep them away. I recall hearing of instances when they

were so thick that they actually smothered cattle grazing in the fields.

The investment in MRCU was a good one and continues to be a good one. I believe that we must continue to support that very important unit.

The improvements to our Postal facility in George Town, and also those in some of the outer districts, are very evident. I believe that there has been tremendous improvement. We must recognise those who are responsible for that very worthwhile improvement.

The 9-1-1 Emergency System is well in hand and I think it is a very important thing. It is difficult to try to remember the number to call in the time of an emergency. At present, I think we have a separate number for the Fire Station, one for the Hospital, one for the Police and to have one system and one number, regardless of what the problem is, makes it much simpler. I am very pleased with the capabilities of this service, in that if one is on the line and unable to finish the communication because of a problem (maybe a heart attack) the system allows identification of the location of the caller so that the rescue squads can go and take care of the matter.

Public Works has been very busy over the last three years doing a fantastic job as far as meeting the demand for roads in all districts. I believe that we have done as well as we could do with the funds we have available for roads. I would like to see us get back to the programme which was adopted by a previous Government where on an annual basis they budgeted for a certain number of miles of paved roads. The main corridors are getting old and I think this is an area we definitely need to address. Rather than going out and borrowing \$100 million like the former Government wanted us to do, we should do it over a period of time as we can afford to do it. That makes it practical and before long we will be able to re-pave the roads that need re-paving.

The positive comments that we have received in regard to the piece we have done in West Bay shows that our people appreciate that. We have to be responsible and live within our means. That has always been the policy of the present Government.

I am also very interested to see the completion of the Harquail and Crewe Road bypasses to give us some relief from the traffic congestion along the Seven Mile Beach area and for those coming from and going to the Eastern Districts. Traffic is becoming a serious problem in this country. I believe that it is one that we as a Government will have to address.

Everyone talks about the congestion, but no one wants to hear about being in a position where some Government decides it is time for us to start looking at the necessity of reducing the number of cars imported into this country. It is like the work permit situation - everybody is concerned about the number of expats we have in the country, but everybody wants a maid. We cannot have our cake and eat it too. I think this is an issue which has to be addressed.

I would just like to say that regardless of where you go, at peak hours there is always a traffic problem. As big and extensive a road programme as the United States has, at 8.00 in the morning, and 5.00 in the afternoon, they are faced with the same problems that we are faced with in regard to traffic.

I believe that the Harquail bypass and the Crewe Road bypass will assist in relieving the traffic situation at peak hours.

I would also like to congratulate the Minister for Communications and Works for continuing to do such a good job.

The Ministry of Community Development, Sports, Women's and Youth Affairs and Culture: I want to say how proud I am to have this Minister as one of my colleagues in the district of West Bay, and to also congratulate him on his accomplishments over the past three and a half years. It shows

that when you have a Government in place that has the interests of the people at heart, and has the support to get things done, much can be accomplished in a very short time.

His accomplishments in the area of sports have been very evident. Today the Cayman Islands can boast of some of the most modern sporting facilities of anyplace in the Caribbean. I believe, even on a global basis, that we can be proud of the sporting facilities that we have in this country.

I recall that it made me proud to sit in the bleachers of the Truman Bodden Sports Centre during Easter last year when we had the CARIFTA Games. I think that every Caymanian who attended was proud of the facilities we have in that area where we can host international competition.

What I am also pleased to see is that the sporting facilities have not been confined to any particular district. The programme has been extended to all districts and the plan is that every district will have proper facilities for the young people of that area.

When the Cayman Islands Basketball Association hosted the under 14 finals at the Lions' Centre, I was very pleased to see the standard of basketball among these young people. It speaks well of the Cayman Islands Basketball Association, the President, Mr. Tony Scott, and our national coach, Mr. Voot O'Garro. He has embarked on a district programme, having activities in Bodden Town, East End, West Bay and he is extending the sport to the primary school level at the present time.

Sports play a very important role in any community. The more young people we can occupy in a healthy activity like sports, the fewer we will have to worry about getting in trouble. It encourages a clean and healthy life-style and the investment in sports will be felt and will carry those young people a long way in life. It teaches them responsibility and discipline and the idea of commitment. I believe that regardless of what the Opposition wants to say (and they have said a lot) about spending too much money on sports... How do we put a monetary value on the life of a young person?

I think that for too long there was no emphasis and no concern for activities of this nature. Every dollar that we spend on sports has been an investment that is well worth it.

I am excited about the new sporting complex that is proposed for West Bay where we will have a community hall capable of hosting major functions. Also, being in a position to be used to host international competition, maybe in boxing, basketball, netball, and all the other indoor games that we participate in today.

We can boast of being one of the wealthiest countries in the world, and for so long we deprived our people of such a basic facility. I believe that this Government has the interest of the people at heart and I believe that the people appreciate the accomplishments in this area. So I want to say to those athletes who are looking forward to the indoor sporting facility being built, that it will be started this year and they will be well on their way to having that facility in place as soon as possible.

I was at the George Town Primary School facilities and I was angry about the deplorable state of the facility in that area. I spoke to Mrs. Martin, the Principal, who was just recently selected as the Woman of the Year (and she is doing a good job), but she too was very concerned with the state of those facilities. She told me that she did not allow her children to use the basketball courts because of all the broken glass and the broken down fences. There are buildings there - one that was built as a changing room - which are not in working condition, not maintained. It allows for illegal activity in that area, especially after dark. So this is a good project for the representatives from George Town between now and November to visit that school and see what the needs are, to put in the request to the respec-

tive Ministers to improve that situation. That is totally unacceptable in the day in which we live.

Mrs. Martin believes that the building should be brought up to a usable standard or knocked down so that it does not continue to be a nuisance as far as illegal drug activity. I believe that it would be money well spent (because that area is used a great deal by the community. I know that the hockey players practise there on Tuesdays and some of the basketball teams also practise in that area) to find somebody as a custodian or security guard and to ensure that Environmental Health has garbage disposal bins in that area which are picked up frequently. That is another problem. We put bins in an area which sit there for weeks overflowing and all of a sudden people start dumping their garbage on the ground.

I believe that this is an area which has to be addressed. One of the reasons I feel so strongly is because I went to school there when it was called the Secondary Modern School. I know that we did not have a security guard in those days or a maintenance man, but the grounds were kept clean. Every Friday there was a team in place responsible for going out with garbage bags and collecting the trash. It is used by the community, and I believe that between the Education Department and the Ministry of Sports something should be done to ensure that the facilities in that area are properly maintained.

I also applaud the Minister for his efforts in relation to the National Cultural Foundation. I believe it is vital for us as Caymanians to retain and be reminded of our culture. The only concern I have in that area is that I believe that more Caymanians have to be placed in positions of influence with regard to that type of activity because what we normally find is that rather than promoting our culture, those in charge promote the culture of the area they are from. I believe that we need Caymanians in place who are qualified and who have an interest in this area. It is very important for us to remember and be reminded of our roots

The Minister has also done quite a bit with regard to addressing the labour issue in this country through the amendment of the Labour Law and increasing the fines and penalties for abuse in that area. I believe to a certain extent that the situation has improved. But one area that still has to be addressed is the issue of gratuities in this country.

As far back as the 1988 campaign, it was my philosophy that the Government had to appoint or employ persons with the necessary accounting background capable of carrying out regular inspections at the condominiums and hotels.

I am also aware that in the 1995 Budget we made a provision for a person of that calibre. I only recently learned that someone has been employed in that post, but one who does not necessarily have the capability or background to carry out those inspections. I am fed up with the number of complaints that I get from employees of these condominiums where the management is obviously sharing in the gratuities - which is illegal, according to the Labour Law - at the expense of our Caymanian people who work in those areas and earn a living from that industry.

The attraction with regard to working at a hotel or condominium is not necessarily the wages, because in most cases they are very low (I think much too low). But if the person can get the gratuities which are earned, then it makes sense for the person to work. But when one is making \$2.50 or \$3.00 per hour and the management steals the gratuities, it does not lend itself to a very healthy situation at all.

I am aware that the Minister is looking at the possibility of employing someone from one of the big accounting firms in the private sector to assist in this area. He would not only be responsible for looking at the gratuity end of things, but would also be used to ensure that the amount of tourist accommoda-

tion tax paid is correct. This will be money well spent and an issue which has to be given priority as far as we are concerned.

I look forward to the Minister making a statement (or including it in his contribution) as to what he has been able to achieve as far as finding persons with the necessary qualification to go in and inspect these condominiums and hotel complexes to ensure that things are being run properly as far as distribution of gratuities and to also ensure that Government is getting the tourist accommodation tax that they are entitled to.

I believe that all that has to happen is that they go out there and find one or two culprits and make an example of them. That would discourage others who may be tempted to abuse that privilege of gratuities from doing so. The Labour Law has some very severe penalties in the instance where abuse is discovered. I believe that if people are caught abusing this privilege they should be prepared to pay the penalty.

I look forward to the Minister making some kind of comment on his plan for dealing with the gratuities issue in this country.

I am also very pleased with the amount of financing that has been made available through the AIDB and also the Commercial banks for scholarships and student loans. There is no greater investment than the education of our young people. The Minister has been very effective in getting the cooperation of the commercial banks. I believe that these young people who are being assisted are responsible and once they have finished their education and come back and find a job they will be more than happy to repay those funds that have been borrowed for their education.

The one concern I have is that once our young people go abroad to further their education, that they will be able to find meaningful and worthwhile employment in the areas they have been trained in when they return. I am not sure what the latest statistics are on the number of work permits we have in the financial community, but there are many. I think that as a Government we have to be responsible for ensuring that our young people, once they are qualified, are able to move up. It has always been the excuse that we cannot find enough qualified Caymanians so we have to bring people in from the outside. Now, when we do have some qualified Caymanians, they are still being kept down by employers who are here on a work permit.

I believe that much can be accomplished with the cooperation of the Government and the private sector in this area. But we need to see much more done in this area. As I mentioned on Friday, it is much too easy to get a work permit and this discourages the employer to find a Caymanian.

For someone on a work permit they can dictate their hours, the conditions under which they work. What it also does, as far as the employer is concerned, is put them in a position where they can dictate for the next four or five years (or whatever the term of that permit is) exactly what that employee does. They hold their means of livelihood through that work permit.

It makes sense to find local persons who are willing and able to work in these areas. First of all they would not have to worry about a work permit. In most cases they would not have to worry about housing or a car allowance and all the other benefits extended to persons on work permits. It makes sense because there are people within the community participating in the financial community. This lends itself to stability: Once people see that they are part of the success process, then the chances are that they are going to be very careful ensuring that the environment remains stable and progressive, because they stand to lose themselves, if anything goes wrong.

I recall that shortly after the 1992 political campaign (and this was something that we campaigned on - training and

promotion of Caymanians) it was amazing how many persons and establishments that I spoke to were singing that song. They were setting up training units or programmes to ensure that Caymanians in their respective areas were trained with the idea of providing employment in those areas. I believe that it is better for us to allow the private sector to take the lead, but if they are not going to do it on a voluntary basis, there must be some understanding as to what is expected of them in this area.

The Speaker: Would this be a convenient opportunity to take a break?

Mr. John D. Jefferson, Jr.: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.37 A.M.

PROCEEDINGS RESUMED AT 11.59 A.M.

The Speaker: Please be seated.

The Third Elected Member for West Bay continuing.

Mr. John D. Jefferson, Jr.: Thank you, Madam Speaker. I am almost at the end of my contribution. I just feel that overall we have a lot to be thankful for in this country. Government has been successful in turning the financial position around in the past three-and-one-half years; Government's credibility with the financial institutions has been restored. Unemployment is down to the extent where I believe that anyone who really wants a job can find one. The financial community continues to move ahead at a very positive and manageable pace. Tourism is up, even compared to last year and the year before. I think it was up some 16% to 18% in January as compared to last year.

We are moving ahead on all fronts. I do not see any areas of major concern. Now that we have addressed the issue of Government's financial position, unemployment, tourism and all of the areas that affect us nationally, I believe that we can focus on the three areas where I still have a concern.

One area is transportation. Another is the issue of the Port Authority, the Civil Aviation Authority and also the issue of ground transportation, that is, those persons who engage in providing a service between the districts. At the present time there is total chaos, especially in the ground transportation side of things. I called the inspector who is in charge of traffic and I was told that he was waiting on a Ground Transportation Licence to be drafted by the Legal Department. That was a month to six weeks ago and I have not heard any more. But the problem continues to exist.

Each week a new bus comes on stream, not driven by a Caymanian, who will go out there and compete with our Caymanians in this area. It ties the hands of the police in that if there is not proper regulations and requirements in place, then there is only so much they can do to see to it that these persons comply. I believe that it has to be straightened out. It has gotten to the stage where our Caymanian people who depend on transportation for their livelihood are finding it extremely difficult to make a living in this area.

If a licence needs to be drafted in order to put this system in place, then let us get on with it. If the Legal Department is not in a position to do it, then let us get someone from the private sector to do it, but let us get it done. Transportation is an issue that has been with us for a long time. Government after Government has grappled with how to address it. Frankly speaking, I am not at all pleased with the idea that something cannot be done.

I have always believed that if one has a problem, one should try to find a solution as quickly as possible. This is an area where we need solutions. A large number of our people are employed and do have their own vehicles. They depend on this very important industry for their livelihood. I do not think that Government can leave it to the forces out there, in other words, survival of the fittest, because the ones who will survive are those people who have the money and the contacts to drum up business. The only people who will really be hurt are our people.

It is not asking too much when the people who elected us say that we have a problem in this area and ask us to please deal with it. I know how difficult it is in that industry. I depended upon that for a year and a half myself in order to support my family. It was very difficult and it is becoming increasingly worse. There are no controls in place at the present time and things are getting worse. We get people constantly coming into this industry and there are no guidelines, no controls no requirements. The police are not in a position where they can supervise the activity. Their only concern is that the persons possess a licence to drive that type of vehicle.

Especially in the case of cruise ship lines, they are controlled by big businessmen who are not necessarily Caymanians and the majority of the business is not controlled by Caymanians. They have the clout and the money for advertising and promoting, they know who to deal with, as far as the cruise ships are concerned, and they take a large percentage of the business.

I believe that anyone who comes in here should at least have enough conscience to say, 'We have made a good living in the Cayman Islands, let's ensure that harmony continues to exist. I will share some of the business.' But that does not seem to be the mentality of the people coming into this country and getting involved in business.

I believe that it is time for the Government to do something, and there are many ways it can be done. I fully support the idea of participation, but I believe that some kind of caucus has to be held with the idea of not just talking about the business, but finding solutions. I believe that if we go in with that kind of approach that the big boys who are so greedy and not prepared to share will come up with a reasonable compromise.

The message I want to leave is that this cannot continue as it is today. It is very disheartening for one who owns a boat and who depends on snorkeling/diving trips to Sting Ray City or the North Sound, when one sits there like Lazarus watching hundreds and hundreds of people going out on boats not owned by Caymanians, hoping for the crumbs to fall in their direction.

What concerns me is that if it is not addressed it is going to cause us some serious problems in the future. I am not talking about five or ten years down the road, I am talking about in the immediate future. A lot of our Caymanians (as tolerant as they are) are getting fed up with the idea of being a Caymanian and not being able to earn an honest living in this field.

When I graduated from college in 1973 I made a decision to return to the Cayman Islands to work and to live. Why? Because this is my country! I believe that Caymanians must continue to be able to earn a living in their country. They must! I believe that in order to ensure this, Government must play a greater role in seeing to it that this happens.

One of our largest off-shore competitors is probably the Bahamas. A lot of negative things have been said about the Bahamas. I had the privilege of visiting there myself. As I understand it, one of the things that the Bahamians insist on is that their people be trained, that they have an opportunity to move up and that they have an opportunity to share in the success of the country. No one can fault a Government for taking

that kind of a position. The Bible says that the man who does not take care of his own home is worse than an infidel. We must take care of our own people.

This is an area that I am very concerned about and I have always had an interest in it. Before I decide to hang up my political spurs, I would like to see this very important issue addressed in a very positive way.

I believe that there is enough business out there for everybody. As a representative, all I am saying is that we must ensure that our people get their fair share. I do not subscribe to the philosophy of the Chamber of Commerce. I think they made a comment the other day to the effect that Caymanians should be satisfied with getting a little piece of the cake. Why should we? I do not think we should settle for a little piece, I think we should get our fair share.

Transportation is an issue which has to be addressed. One of the problems that I see is that no one Minister is responsible for the subject on a whole. We have one who is in charge of the Port, one who is in charge of the Airport, and another in charge of ground transportation side of things. It has to be a coordinated effort. Those same people who run the routes between the districts are the same people who operate at the airport and to a large extent they also operate at the port.

I believe that this is an area that has to be addressed. It is really hurting us as a Government because a lot of our people depend on this area for making a living. We get all kinds of feed-back that these taxi operators are making so much money out there and that what we are hearing is not true. As I said before, I know what it is like to try to earn a living in that area. Even when I was there it was very difficult and probably hundreds of people have gotten in the industry since I got out of it. So it must be even worse now than it was then.

The Minister for Tourism has done well with regard to assisting the water sports operators (that is, members of the Cayman National Sports Association) through promotions. He has also invited representatives to accompany him on trade shows and that type of thing. That is very positive. But I believe that it is time for us to also deal with the other water sports operators and hotels, with regard to ensuring that they also assist the Caymanians engaged in this area for their livelihood.

Labour is another area which has to be addressed as far as gratuities are concerned. I am aware that the Minister is addressing that issue. I believe the sooner the better, because there is a lot of abuse out there. It is at the expense of our Caymanian people.

Overall, I think that we have a lot to be proud of as far as the accomplishments of the Government over the past three and one half years. I believe the majority of Caymanians do recognise what has been done in such a short period of time, taking into consideration the conditions which existed when we took over in 1992. What I am proud of is that we have not played politics as far as facilities or services are concerned, regardless of what district needed it, we have attempted to be very fair to ensure that all districts got the services and facilities that they needed.

What amazes me is that in 1992, when things were so bad, even the past Government's attitude was that they were kind of glad that they did not win the election because they did not know how to deal with the issues that we were facing at the time. Now that things are robust and rolling again, they want to come back and take over.

There have been two teams mentioned - Team Cayman and the Democratic Alliance - who are putting themselves up as Opposition. I have always been proud of Caymanian people. They have a lot of common sense, you know. I remember in the by-election how our people remem-

bered what had been accomplished in the short period of time we were in power even in the district of Bodden Town. They now have representatives who have an interest and who are in a position to see that the district gets its proper facilities. Team Cayman and the Democratic Alliance will have to find other means of employment after the 1996 election, because I believe that the people appreciate what has been accomplished by the present Government; and I believe that we are well entrenched for another four years and we should move on with the programmes and projects we have planned for this country.

I would like to also throw out a little bit of advice to the Members who are contesting the elections. They should stay in their districts and deal with the issues we are faced with in those districts. I believe that at the end of the day the Caymanian people will do the right thing as far as returning the present Government, that is, the National Team Government, to power.

I want to close by congratulating His Excellency the Governor and the Government for presenting such a well balanced and positive state of affairs with regard to what exists at the present time in the Cayman Islands.

Thank you, Madam Speaker.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Thank you, Madam Speaker.

The Government somehow reminds me of a quotation by Sir Winston Churchill made in 1912 in the British House of Commons. He said, about a certain Member of Parliament, "He is one of those orators of whom it was well said, 'Before they get up they do not know what they are going to say; when they are speaking they do not know what they are saying, and when they have sat down they do not know what they have said.'"

For two weeks since the Governor delivered his Throne Speech I have watched the Government Bench, in particular, squirm in an effort to get up to speak about the wonderful things which it is doing - although that is set out so lucidly by the Governor on their behalf in the Throne Speech.

In the Thursday 11th March, 1993, issue of the *Caymanian Compass*, it said; "**MLA for Cayman Brac and Little Cayman, Mr. Gilbert McLean, declared himself a Member of the Opposition. 'I see that as my role', he said, opening the debate on both the Throne Speech and the Budget Address in the Legislative Assembly on Wednesday, the 10th of March.**" At least now I have the attention of the Government Bench. They can cackle now and they can write, because, as usual, they will surely have something to talk about when I am finished.

I have never regretted the fact that I chose to be the only one in this House who took up the role of Opposition. I would never want to be caught in what I have found in the past three years to be the Government's style of management, nor would I have wanted to be in a position to support what I have seen happening in many instances. I know that in a Democracy the role of the Opposition is vital and I often wonder what would have happened in this country and this legislature if there had not been at least one voice who dared to speak in Opposition. Fortunately, I was joined by the First Elected Member for Bodden Town in an effort to speak from the other side.

I am reminded that in 1990 Her Majesty's Privy Council (on the 22nd of January) made a 'landmark ruling in favour of any and all Opposition within the British Parliamentary style of Government when it ruled on the case of Leonard Hector v. The Attorney-General. This single voice in the island of Antigua was constantly being beaten down by the Government of the day for daring to speak against that Government. The Privy Council ruled that, and I quote: **"In a free democratic society it is almost too obvious to need stating that those who hold office in Government 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 levelled 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 office. In light of these considerations, their Lordships cannot help viewing a statutory provision, which criminalises statements likely to undermine public confidence in the conduct of public affairs, with the utmost suspicion."**

There is no doubt in my mind that since the time I chose to fulfill the role of Opposition in this House that, while no laws have been passed to make it difficult or impossible to make a statement, there have been more twists and turns in this Legislative Assembly including changing of a law, the Standing Orders of this House, to make it difficult to ask questions and also to bring motions. That has certainly been done.

The Governor delivered his Throne Speech on the 16th of February, and today is the 4th of March. As I mentioned, I have had the opportunity of speaking on the Throne Speech since I have been a Member of this Legislative Assembly as a representative of Cayman Brac and Little Cayman.

I shall speak on some of the matters raised in the Throne Speech, and I propose to deal with them in the sequential order in which they appear in the Throne Speech. I think something of importance has been noted by the Governor in his introductory remarks, where he says: **"As the Legislative Assembly convenes today to make laws and policies to further the progress of this nation let us not forget that while Government has a responsibility to the people we also have a responsibility to ourselves, our families and the communities in which we live. Government alone cannot safeguard the future of these islands. We must all take responsibility for that task."**

I agree with that statement in that while persons elected in this House have a certain responsibility to those who elected them, there is some responsibility to one's self, bearing in mind that the Government Executive is the body which has control of, and is the authority for the day-to-day conduct of affairs for Government. People like myself (an ordinary Member of the Legislative Assembly) can but verbalise the needs, make requests and hope that something will be done. While I take responsibility for anything which I must do, I really cannot take responsibility for doing what the Government Executive is supposed to do.

I do not posture to be anything but an ordinary human being who has to try to survive like everyone else, and, indeed, take care of personal family matters and otherwise. Sometimes I think that the situation becomes confused in

people's minds as to what a representative is and how much is reasonable to expect of one.

The first subject the Governor spoke about was the Judiciary. He said; **"Work on improving the facilities and procedures of the Court will continue."** I do not know to what extent this is being done, but I certainly believe that something needs to be done in this area. It is painfully obvious that there is not sufficient space for the court to operate properly in the building originally built for it. I believe that a priority should have been to increase the size of the Court Building. It could have and should have been extended out with a proper structure of steel and concrete over the large car park, with offices built on a second floor upward to provide the necessary space.

If one goes through the front door of the Court Building now, one would get the impression that they are entering a place with security such as Fort Knox would have. One goes from one steel door to the next as one moves from the entrance in the lobby to where the courts are situated. I think that speaks very loudly of the times. If that kind of security is necessary, it says something about us socially.

Once inside, it becomes clear that there is not sufficient space. If one is bold enough to venture into the public bathroom, one will seriously wonder where the Public Health Department has been. I think a major priority is for a proper physical facility to be provided for the courts, taking precedence over sports facilities and the like which are being lavished with Government's money.

I do not know what the procedures in the courts are, but anything that would speed up the process and the procedures would be something desirable. Certainly, in the Court Building now there are many, many more faces than I have known and seen over the years.

I also see that the Governor says that rented accommodation for the Court Building will soon be necessary. What I have to say about that is that it will no doubt fatten the pockets of the people who offer these buildings to be rented. That same money which the Government would spend in paying rent (which is dead money as far as ownership goes) should be spent in getting a proper mortgage to pay for the necessary improvement and extension of the Court Building. It would be interesting to know which buildings are to be rented, how soon, where and for how much.

Under the Governor falls the Portfolio for Internal and External Affairs. The Governor has said that a review is in progress of the General Orders and Public Service Commission Regulations. I seem to recall hearing this several years ago. If I am not mistaken, it was in 1993. If I am correct, even one year ago, one would wonder what massive and major changes need to be made to the Public Service Commission Regulations and the General Orders that between the Government Administration and the Public Manager's Association, and the Cayman Islands Civil Service Association they could not make the necessary recommendations and have those changes made.

Also, there is what is termed a major exercise of evaluating all jobs in the Public Service which has been ongoing for the past few years. That certainly has been a long exercise, one that should have long come to an end. I quite honestly believe the reason why this exercise has not completed is that there is not sufficient political will, administrative will and, for that matter, the will of the various Civil Ser-

vice Associations, to see it through. It should strike someone that it is necessary purely from a management point of view.

It also makes a lot of sense from a dollar point of view, in that it will determine how much money is spent in paying for the various jobs within the Service. I can but hope that this exercise will be carried out as quickly as possible so that it might assist the Civil Service Association which has been under serious assault since 1993, since the present Government has taken office.

I note too that the Annual Performance Report (now termed Staff Appraisal System), has been long talked about. I am told that a certain means or method for doing this is in place which relates more specifically to the true performance of an officer. I am also told that this has been explained at some length by people in this field and it is all a matter of foot-dragging why this is not in place. For the sake of the Government administration and the Civil Service I trust that it will move somewhat quicker than it has in the past.

The country needs a Police Force. We have one which overall provides protection and service to the community. I am particularly impressed by the attitude of the present Commissioner where he has chosen to see the police force not as a force but as a service. He has said as much. To the best of my knowledge he is moving his management and supervision in that direction.

I saw fairly recently that he has also issued a Code of Conduct for the police. I think that is necessary. While, generally speaking, I think that the police perform within the law and conduct themselves in a matter which is appropriate, there are instances where this does not happen. If there are no particular rules or regulations in place to point this out, a person might argue that they do not know. However, if there is a written code, excuses lessen for people who do not practise what they should. We heard during the Budget Debate over a year ago that there was a serious need for police vehicles. I think that any sound-thinking administration or Government would see to it that these are provided. They can be provided for what is a relatively small amount of money compared to what is spent in other directions. I think this should be addressed immediately so that the demands on the Police Service can be better dealt with.

There are presently policemen from various parts of the world in the Royal Cayman Islands Police Force. I do not know how many would attempt to argue that that is an ideal situation, certainly I would not undertake such an argument. I believe that if there is to be a coercive force (and that is required in every civilised society), the persons so employed should be those tied into the very entrails of that society, culturally, socially and otherwise. There has to be inherent difficulties where persons not of this society are expected, in addition to police duties which are clearly defined, to relate to the social/cultural aspect as well. I think that serious efforts need to continue to finding Caymanians who will fill all of the jobs in the police force.

I am happy to know that the present Commissioner has also set up a system whereby various officers are on the beat, covering various sections of the community to make contact with the people to bridge the gap where there may be a lack of confidence by the public in the Police Force. A good relationship between the public and police makes it more difficult for criminal activity to go on because the public will report criminal activity or breaches of the law.

The Prison Department is similar to the Police Force in terms of having Caymanians who keep in custody the people who are sent to prison by the Courts. Again, I think effort needs to be made to find persons who would be interested in becoming trained in the profession of being a prison officer. That is a profession in itself. It does not require one who has large feet and stout arms to overpower a prisoner. Nowadays it is clearly understood that people such as prison officers are people who need to be highly trained in understanding human behaviour and handling people in the stressful situation that a prison environment always is.

It is also encouraging to hear there are some plans for a sentence planning programme for each prisoner which is supposed to help him when he gets out of prison to be rehabilitated back into society. On that point I would like to say that when someone goes to prison (man or woman), they receive the punishment prescribed by the Court. When they come out of prison they are then as they were before - a free person. Society really has no obligation to continue to punish them by making life difficult for them once they have done their time as prescribed by law. I sometimes think that one of the difficulties ex-inmates find is that society reacts as if they should be permanently excluded.

The Speaker: Would the Member take a suspension at this time?

Mr. Gilbert A. McLean: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended until 2.30.

PROCEEDINGS SUSPENDED AT 12:55 P.M.

PROCEEDINGS RESUMED AT 2:35 P.M.

Mr. Gilbert A. McLean: When we took the adjournment, I was commenting on that section of the Throne Speech dealing with the Prison Department. I think it very appropriate that there should be drug counselling in the prison in that many of the inmates are there as a result of breaching the law relating to the Misuse of Drugs. In fact, I would feel (and certainly there are statistics to prove it) that the majority of cases somehow relate to drugs. I think it has reached a point where some serious thought has to be given to the fact that so many of the youth of this country, particularly, are becoming prisoners because they were found consuming drugs or that traces of some particular drug was found in their urine.

I believe that the time has come when someone has to seriously examine the situation to determine whether three months, four months, or a year in prison stops someone from using drugs and make a serious determination as to whether the victims are the ones to be punished by imprisonment or whether those who perpetrate the trade of drugs should be more severely punished. Certainly, counselling is a necessary part of the rehabilitation process, and therein some attempt can be made to turn around the thinking which caused the people to become involved in drug usage in the first instance; to say nothing of the fact that some effort needs to be made by providing alternatives.

The people involved in drugs (and I think it is being done now) seem to come from the lower end of the economical scale. They tend to have less skills than they need to earn a living and turn to the quick method, which in this

country (and many other countries) is the sale of drugs. Then, in their despair, they resort to the use of drugs as an opiate.

We know, as the Governor has said, that the Department of Immigration has been involved in the process of screening illegal Cuban immigrants in the past. Now those who have been determined to be genuine refugees have received the proper Immigration recognition and the others have been repatriated. It is heartening to hear the Governor say, "**I am determined that these islands will not be a stopping place nor a haven for economic migrants.**"

Here, one has to be aware that there are millions of dollars still outstanding in an agreement between this country and the United States about the repatriation of the Cuban migrants. So when the Government speaks about the situation with regard to what the finances are in this country, the only way one can get the true picture is to bear in mind that under the terms of the agreement between this Government and the United States, there could well be a call for about \$5 million to pay for the \$10 per day, per person, for keeping these Cuban nationals in Cuba.

I think it is wise that attention be given to the Immigration Board because I think that commerce on a whole seems to revolve around the Immigration Board. Here the numerous work permits are processed, and here (if we believe everything that is said) commerce would simply begin and end if there were not in place work permits, which give employment to thousands of non-Caymanians.

On the question of work permits I have said before, and I say again, that I do not believe that in each and every instance, each and every work permit that might be in place is necessary. I believe that there are instances where work permits have been issued because the work permit gives employers cheap labour; that although it takes time and effort, and some money initially, to get persons on a work permit, that there are employers who resort to that rather than pay a better wage, as would be demanded by a Caymanian to do the same job.

Of course, a Caymanian has the option of no fear or threat of a work permit to work a work-day and to demand pay (extra or double time as the case may be) for working past a work day. I have heard of various instances where persons on work permits work 10, 12 or 14 hours a day, and I have also heard that in some instances these people work for straight time. This is something which I think the Government needs to look at seriously. While there are those who talk about it in glowing terms from the Government side, I think that they have friends and associates who fall within the category of holding that 'whip' of a work permit over the heads of the people who work.

I am personally happy to know that the Government Information Services and the Broadcasting Department, or Radio Cayman, are being separated. From the day that I heard that they were being combined (supposedly because of their similarity) I disagreed with that particular exercise. I think the two are distinctly different. They serve different functions and I am happy to see where (by a one-liner which says; "On 1 February, the functions of information and broadcasting were Separated") that has finally come about.

Radio Cayman has served this country well for 20 years. I think it has a lot more to yet offer. The variety of its programming is something which is desirable, and I personally believe that it could be varied even further with the crea-

tion of local programmes. I think the staff is dedicated to Radio Cayman and they would welcome the challenge of doing this. I think there is much to be done in that particular direction.

I say again, as I have said over the past seven years, that I think Radio Cayman should also be developed into a television studio producing necessary information for our citizens. I see where the Government Information Services will operate as a unit under the Portfolio of Internal and External Affairs where it plans to launch an information television programme in 1996. Just what this will entail, I am not quite certain. Whether it will be something similar as to what I see running on channel 24, I am not sure. But I think that is more suited to Radio Cayman and television even if the GIS inputs information to be broadcast.

I come now to District Administration, or the administration of Cayman Brac and Little Cayman - something that is very near and dear to me, in that I try to contribute as best as I can to ever put before Government the case for the two islands of Cayman Brac and Little Cayman. I never try to sell their position on the fact that they are 'sisters' because I have no way of checking their gender - they may be brothers! I notice that everyone has referred to the 'Sister Islands'. Such a condescending terminology to say the least!

The islands of Cayman Brac and Little Cayman are unique in that they have their own special topography. They have a very small population compared to Grand Cayman, and they are separated by about 90 miles of water from the main Island of Grand Cayman. Their geographical location has always placed them in a position where they tend to find themselves as the outsider of the three islands. This has been said by residents of that island long before my time. This has been brought to the attention of successive Governments, and the situation, while it has improved in some instances in terms of infrastructure, really does continue to find itself on the short end.

The Governor noted in the Throne Speech, "**I am concerned about the imbalance between the level of economic activity on Cayman Brac and Little Cayman as compared with that on Grand Cayman.**" I am, and I am sure the majority of people of Cayman Brac and Little Cayman are very happy to note that the present Governor seems to give considerable thought to helping the situation of Cayman Brac and Little Cayman. I am grateful, and I am sure the people of Cayman Brac and Little Cayman are.

The present Governor visited those islands shortly after he came here and has held a meeting of Executive Council there. It is encouraging to know that he said that the Government will, ". . . **work with the citizens of the islands to stimulate a level of economic activity appropriate to sustain the population and arrest emigration...**" which goes on quite regularly and, it seems, almost naturally.

I think that Cayman Brac and Little Cayman have become at this time a real scratching post for the National Team Government. Suddenly, after three years of doing nothing supposedly, this Government now is overflowing with exuberance to help the lot of Cayman Brackers. I do not believe that, and I expect that little will be done except talk. This Government is excellent at that. And like with everything, when you make a suggestion, they say that they are already doing that.

I had the opportunity (thanks to His Excellency The Governor) of going to the Brac when he visited on both oc-

casions. I cannot say that same courtesy is extended by the Elected Ministers of Government when they are visiting there, but I can say as a fact that I was informed well ahead of time that His Excellency would be attending a meeting in the Brac and he certainly made it known that he would like for me to be there if I could, as one of its representatives.

I am encouraged by the fact that citizens of the Brac have come forward to further express what I (and my colleague, the First Elected Member for Cayman Brac and Little Cayman) have been attempting to do as their representatives. These citizens have gotten together a committee where they made a list of the needs and so on, and on the occasion at the Aston Rutty Centre the whole Executive Council was there.

I did not attempt to get into the forefront of that effort by the citizens, for I am convinced that the Government deliberately does or does not do things because I am one of the representatives of Cayman Brac and Little Cayman.

The Governor made it quite clear that it was not a political meeting, and my Elected Colleague and I were members of the audience. I had gone there at 7.00 in the morning to make sure that the seating arrangements were in place. I believe it was not a political meeting until the point in time when it was announced that the committee would be heard and the Candidate for Cayman Brac, chosen by the National Team way back in 1992, Mrs. Julianna O'Connor, was to be making a speech there (I understand because she had made submissions to His Excellency The Governor on behalf of 'her' people).

Well, I thought that should have been sufficient. Certainly, it was supposed to have been the show of the people of Cayman Brac who formed that committee. But it was not. Politics is what it was.

There I learned a new form of address that is now apparently employed in relation to the Brac where His Excellency the Governor said: **Honourable Members of Executive Council, ladies and gentlemen and Mrs. Julianna O'Connor.** "That is the kind of politics that is being played out where the Brac is concerned. Rather than the help that is supposedly coming in on the wings of the dove for Cayman Brac, there was also an Open Line programme about Cayman Brac. While the District Commissioner would normally be someone appropriately asked to speak on matters relating to the Brac, neither of the Elected Representatives of those two islands were included as panelists. The National Team candidate, Mrs. Julianna O'Connor was definitely there.

It is a sick ploy for doing what the Government has been doing now for some time. Certainly, some people (whose voices I recognised on the Open Line) made it very clear how they felt about the situation and they reinforced areas of need for Cayman Brac and Little Cayman. About two years ago another committee headed by Mr. Nolan Foster wrote to the Government asking that Government consider giving some concessions for fees in setting up companies and so forth there. A year later he received a letter saying that the Government would not wish to do that because it might be taken that that is some kind of discount centre within the islands. Yet, the Executive Council could go to Hong Kong and in a hotel they could pretend to change the law that discounted the scale of fees from \$6,000 down to about \$1,400. I wonder if there is any difference, and where the consideration should be given.

Cayman Brac has the unfortunate situation of losing a considerable number of its older residents in recent times. The pathway that we all must tread seems to be coming to an end for many on that island now. Additionally, the young people of that community, upon graduating from school (normally around

16 in any given year) must leave that island because there are no jobs. Cayman Brac is not producing, on average, 16 jobs per year to hire school leavers. That is how serious it is.

While there is infrastructure in place - lights, telephone, water to some of the island, and now a fuel depot where fuel can be stored, roads are there as well - there is not the economic activity to sustain the increase of 16 jobs per annum. It is a serious problem for any well-thinking Government.

In truth, Government still needs to keep in place the Government services - the Hospital, the Public Works, the Administration and so on - there is no great likelihood that that can be scaled back. What is there could take care of a population of 3,000 just as easily as it takes care of a population of 1,000. During the time of the presentation to the Governor a few weeks back, there was an informal survey done by some of the group and they came up with a number of 1,006 indigenous people resident on that island. That has fallen from 1,300 over the past eight or nine years. So there is a problem in Cayman Brac.

I say that I believe, and I know, that there are certain areas that the Government can help and change by a policy decision. It has not happened because deliberately they have been on a punishment trip with those two islands there. That has been since 1992. Anything that the Government might do to try to have the people of Cayman Brac believe otherwise, they should be advised that they are not dealing with people who do not take the time to think. They do. And they remember too.

They remember, for example, that when the whole National Team went to Cayman Brac on the 23rd October, 1992, that their spokesman, the Leader of Government Business, the Minister for Education, told the people of Cayman Brac - and the people have reminded me of what was said at that meeting time and time again; **"Lastly, I want to say please remember that without a team behind your candidates they are not going to be able to achieve anything. They can sit on that Backbench as a lone voice and cry for four years, but they are not going to get anywhere. Remember that the support of this National Team - and it's 13 of us, and God's willing we are going to make the next Government because we are going to get the majority. We support Julianna all the way and we will see that what she wants for Cayman Brac and Little Cayman she will get. We are also prepared to work with Mr. Parker Tibbetts and we are asking you to support Mr. Parker Tibbetts, but we are not with the balance of those candidates out there and don't let them kid you."**

Those are the words that were spoken. If the Minister does not remember it, when he sees it on video tape during the upcoming campaign, he will remember it.

Hon. W. McKeever Bush: [interjecting] You show us what you have done for the people's sake. That is what you have to do.

Mr. Gilbert A. McLean: Madam Speaker, what has been happening is deliberate. If the Government wants to make a change with the airline, all it takes is Government taking the decision to tell Cayman Airways they will fly to Cayman Brac during the daylight hours and the evening. The Managing Director, or the Manager or whatever he is now called (they have taken that title of Managing Director away from the Caymanian Manager), will be told that the Government wishes to have flights scheduled in the daylight hours. It can be done. They would also schedule flights from Cayman Brac in the daylight hours when people do not have to get up at 5.00 in the morning or earlier to catch a flight at 6.00 AM coming out of Cayman Brac. That does not help tourism in those islands in any way whatsoever, except to make visitors unhappy.

Hon. Truman M. Bodden: (*inaudible interjection.*)

Mr. Gilbert A. McLean: The Minister for Education says he is running in Cayman Brac. I would like to see that! I encourage him to do that!

(*Members' laughter*)

Hon. Truman M. Bodden: Madam Speaker, just so that this does not... I think the Member heard what I said. I said I am not running there. So, I do not know what he is on, he said I am running...

The Speaker: Is this a point of order, Honourable Minister?

POINT OF ORDER
(*False Imputation*)

Hon. Truman M. Bodden: It sure is, Ma'am. He made a deliberate attempt to say that I am running in Cayman Brac. That is not what I said. I said I am not running there, so I cannot understand why he is raising it.

The Speaker: Second Elected Member, can you indicate what your comment was?

Mr. Gilbert A. McLean: Madam Speaker, I can hear him talking from across the floor, and I heard say that he was running. If he is now saying that he is not, then I will accept that. But I would encourage him, as that would be a good place for him to run.

(*Interjections*)

The Speaker: Excuse me. I have to deal with the point of order. If what you thought he said is a misunderstanding, then that is not a point of order. In the future just make certain, and if you do not understand what someone has said, please ask them.

Please continue.

Mr. Gilbert A. McLean: The people of Cayman Brac have also made it known that they would like to see the start-up of a cruise ship visit. This too can come about if the Government is so minded. But the Government is not. It is too busy getting cruise ships to call here in Grand Cayman.

In three years, there is no question whether it is possible to find one cruise ship that would call at the Brac. Even once per month would mean a great deal to that island. That requires a Government policy decision.

It is also my opinion that Government can give consideration to a reduction in fees for companies and trust companies and the like to operate in Cayman Brac at a lesser price than they charge here in Grand Cayman, setting in place certain requirements; for example, that there must be a manager and a secretary which would at least give two jobs to someone on that island. Two jobs in an office means a whole lot in that community. There is no doubt about that whatsoever.

Until the policy of the elected Government changes, and until I believe there is genuine feeling as expressed by the new Governor of this country in regard to Cayman Brac, things are not going to improve a whole lot. If there can be more arrivals and more planes flying there - even other carriers, we do not know that some of them might not be interested in going there, and if Cayman Airways is in such wonderful shape, and taking on all sorts of competition, let them fly there. What made the difference in Grand Cayman was that there were so many flights coming to this island bringing people who saw and who wanted to invest. It can make a difference for that island.

Speaking about running on the Brac, or being a candidate on the Brac, I do not know how much relief it will be to the National Team, but I have decided that I will not stand as a candidate in the forthcoming election in Cayman Brac, and I informed the people of that island as I said I would, one year before the time. But I will be doing everything in my power to see that Cayman Brac gets its fair share wherever I may be. I will always stand opposed to any Government that would treat those islands as outsiders.

The needs of Cayman Brac and Little Cayman cannot be over-emphasised. If something does not happen soon, the population is going to continue to shrink and Government is going to be faced with a bigger dilemma than what there is now.

I wonder why, just like the Government extrapolated out of the Coopers & Lybrand Tourism Report (or should I say plagiarised?) parts which became the Government's policy plan, I wonder why they did not chose the parts of that report which clearly set down things which could be done to help the economy of Cayman Brac. For example, why did they not see the good recommendation that recognised that there are three islands forming the Cayman Islands and that tourists should be encouraged to enjoy a little of all three islands during their visit. Why was that not done? Because there are too many people here involved in grabbing every tourist dollar possible! I think that in their minds there are not too many places where they can see the need to share with their brothers and sisters on the other two islands.

The projects which are to be carried out in Cayman Brac and Little Cayman are small projects which happen each year and provide some employment. The most employment comes via road works as it employs more people. But when these projects are completed, there is again no employment.

I am convinced that Government needs to follow a serious policy of inclusiveness in tourism to help Cayman Brac and Little Cayman. Little Cayman, to a larger extent (because of its size) is having quite a good spurt forward in its tourism development. Cayman Brac, on the other hand, is not. But through tourism a greater number of jobs can be created, and through the creation of jobs it makes every difference in the world in that community.

No one needs to gloat who believes that the people the National Team put up to run in Cayman Brac are going to meet with success, because they are in for a great surprise.

I will now turn to Personnel, Training, Management and Computer Services. In the Personnel Department I understand that there are at this time various 'Acting' positions. Since the departure from Personnel of the former Permanent Secretary, Mrs. Manderson, when she went to take up the position of District Commissioner in Cayman Brac, there has been an 'Acting' Head who is a contracted officer. I do not believe this is a good situation in any department where it is possible to find a Caymanian to fill the post. It is my understanding that there are at least two young Caymanians who are highly qualified in personnel management.

I have done some inquiry on the periphery of what goes on there and I have heard various reasons and excuses given why they are not more involved in the process. One that I heard is that they need certain experience. I think as much was said in the Finance Committee when we were dealing with the Budget for 1996. The question then arises: How does one get experience without getting the opportunity to get it?

The amazing thing is that there was a greater effort to Caymanianise the Civil Service in the 1970s than there is right now. I know that to be a fact. All of the more senior managers in Government (including, for example, the Honourable First Official Member across the isle) came out of that era. Why, when we are in the 1990s and about to enter the 21st Century, are

we not making as great an effort to put our own people in the jobs?

Of course they are going to make mistakes, everyone makes mistakes. But they need to have the opportunity. As for the Civil Service, I believe there is something lacking in constructive dismissal where you create a scenario of conditions where people get so fed up they leave. That is happening hand over fist now in our country. The latest victim of that kind of environment is the Postmaster General, Miss Corrine Glasgow. She has resigned. Who would believe that this competent, able young woman just picked up her handbag one day and said, 'You know what? I am going to resign. I am rich now, I am going to resign.' What sensible person would believe that?

I postulate that what is happening in the Civil Service is that the whole environment is not conducive to staff development. The assurance is not there for the civil servants from the political side where they know that, yes, indeed, there is a strong will and desire to see them move. It is not there from the Administration to the extent that it should be. It is simply just falling down and it needs to be corrected and improved.

What happens when a civil servant goes and gets the highest qualifications he can get - his Masters degree? The next step is a Ph.D. He comes back to the island and hears that he does not have any experience. How long must it take to get that experience? I have heard a reply from Government since this meeting of the House (through the Chief Secretary) that persons who go to study and learn a certain discipline may not be placed in that type of job when they come back. What is the use of sending them then? Why not send them to do Literature or English, or something where they will just learn to write and they can go from pillar to post, as they say?

If you send someone off to be an accountant, then that person should come back to be an accountant. If you send someone to be a doctor, they should be a doctor; an engineer should be an engineer and should not have to be an accountant. It is absolutely absurd to think that we are sending our own people overseas to spend three, four or five years of their lives to qualify (and I would assume in areas that the Government sees the need), and then when they come back they hear nonsense that they do not have any job there.

There is nothing that hinders a parallel job being set up to allow the person to come into the field within the job they have been trained to do. That is covered in the Interpretations Law. Two jobs can be created side-by-side.

Why is it not being done? Because the whole situation is out of kilter! That is why it is not happening. The Cayman Islands Civil Service Association has gone through so many metamorphoses that I wonder where it is at this point in time. Certainly, from afar it does not seem as if too much is being done about terms and conditions of service and matters such as the progression of its members into jobs for their various competencies. Something is wrong. Something needs to be done to correct it.

The country cannot be run the way it should be if it does not have the qualified persons in the posts to do it. I contend that no one (no matter how concerned) on a contract will feel the same way as a Caymanian does about his country, to take nothing from any professional who might be in a particular job. There is nowhere else for us to go. Where

else are we going to go? Why, with a minuscule population (that with the indigenous people along with the non-indigenous people only comes up to 30,500) would we want them to go anywhere else?

We have Computer Services. If there is any place in the world that is computerised, it is the Cayman Islands - right, left and centre. According to the Throne Speech, Computer Services will "**implement several new or replacement computer systems in some Government Departments.**" I wish it would complete the process here in the Legislative Assembly, at least. It would be a good pilot project so that the benefits to be derived from the specialised programming here could be fully realised.

We also hear that, "**A new computer system to assist in the administration of financial and human resources...**" I wonder in what way. If that computerisation is going to see to it (as we hear is supposedly being done) that it is going to be a good collection system for Government, then fine. Or, if it is going to create a system for human resources so that any Tom, Dick or Harry who knows that there is a vacancy at the Higher Executive Officer Level, and that anyone can go to a published Civil Service list and know that their son or daughter could have a try, because they fall within the grade, and that they would automatically have an opportunity instead of the constant personalised choosing that seems to go on within the system, then fine.

I turn to the Legislative Assembly. I find this institution very near and dear to me. I find a certain satisfaction in learning as much as I can about its practises and processes and about its historical evolution. I think it would be good for all of us to take such an attitude because there is much to be learned about how Parliamentary practises all evolved; the way it functions under the Westminster system; the way it compares to the American system which evolved out of that but made certain changes, and develop a respect (which I believe it deserves) for this institution.

That respect can best be shown on the basis of honouring its traditions, its conventions, its practises and procedures, its Standing Orders which are not played with at the whims and fancies of the Government; where Laws come here within the correct time limit to come before this Legislative Assembly, and where Standing Orders are not suspended like some game.

I think we have an outstanding physical plant here as a Legislative Assembly. It needs certain innovations. Some are taking place, have taken place and are to take place. It needs the necessary equipment to make it work properly and there should never be a question, where something that would perfect the efficiency of the Legislative Assembly....there should be no quibbling - it should be done. I also think that in terms of the administration of the Legislative Assembly, we need to get our act right.

I remember many years ago under a former Governor, Mr. Lloyd, he made certain changes in the Civil Service which basically made the staff of the Legislative Assembly a specialised staff. They did not come into the general main stream of job-to-job or the general moving around as in the general administration. I remember that at the time there was some query in the Civil Service Association over it. Eventually he did give an explanation in writing as he normally did. Basically it was accepted. Since that time I have had opportunity of reading in *Erskine May* and in other authorities how Parliament is set up. I think that for this Legisla-

tive Assembly to be correctly administered and organised structurally, we need to reach a point where we have, as in other Parliaments, the Speaker as the Head of the Department and the organisation set up so that it is properly structured on down - the Clerk, the Deputy, and all the other posts, the Serjeant-at-Arms with all the various functions and so on. It is generally that way, but I think the process needs to be completed. I think it can make for the best management of this department. I trust that the next Government will take this up with His Excellency the Governor and the necessary changes will be made.

Under the Portfolio of Internal and External Affairs we also have the Cayman Islands London Office. We have heard that the promotional and recruitment activities of this office have been improved by the location and quality of the new offices. I cannot speak to this, as I do not know where in London it is considered the best office location, but I certainly do have a high regard for the former Governor who heads that office, Mr. Thomas Russell, and I do believe that he did his best to find such a location.

Certainly, I have found the service and particularly his advice very helpful when on one or two rare occasions I have been in England and gone and spoken with him. His advice was very helpful and I am sure that it continues to be for Caymanians who might go there or people who may be inquiring about the Cayman Islands.

I do not know how much having a Shipping Registry there will help our shipping efforts. I can only hope that it would because I do not believe that up until now that department is paying its way, which is what I believe was the original intention.

I too wish to pay my respects to the people who administered the by-election in Bodden Town. I happened to have been one of the counting agents in the station that night. A large number of people asked why I did not call for a recount since it was so close. I said then to them, and at a public meeting since that time, that had it been counted a dozen times it would have been the very same count. The people who conducted the affairs inside of that station went to the furthest extent to make sure that everyone there saw exactly what was happening, heard exactly what was happening and they did not hesitate, if they were asked a question, to answer it.

There is another election coming up which will be for all of the seats in this country, elected seats, that is, in the Legislative Assembly - 15 altogether. As with every election, there are exceptionally high levels of activity, pros and cons and all the rest of it. There are many things that can be pointed to during this time that have 'forthcoming elections' written all over them. That is the way it should be. Everyone who is interested in the election process, or who intends to be in it, must now begin to get in gear for the process. It is a time of choosing by the people - and choose (I certainly say to everyone) they should.

However, even with all the unpleasant parts of it - the nastiness, the mud-slinging - there is within that certain rules set down in law. I want to say to all and sundry that some of the things which happened the Tuesday night before the by-election on Leroy Frederick's Beach in Bodden Town will not happen in this forthcoming elec-

tion. Paint cans are going to be ruled out of order. Money which might be passed in any way to influence anyone is not going to happen. I call on the Special Branch and the supervisor of elections and all those involved to start putting in place the machinery to look after those particular matters right now.

I also have a concern about a practise that I see which I cannot see supported in any Law - Election Law or otherwise. I noticed it in the 1992 election and I also noticed it in the by-election where election officials snatch away copies of the register of voters from people who have them, supposedly to protect the voters.

I have brought to the attention of election officials that I think there is something seriously wrong with it. Every candidate and their agent has the right to have one of those registers so they can check off (as does the official sitting at those tables) who comes in.

What is most important (as far as I am concerned) is that the candidates or their agents can say, 'Yes, Mr. so-and-so did vote. I have that name struck off', and they can in effect back up what has been claimed by the election officials. If those voter's lists are taken away, the only word that we have as to who voted there is what the presiding people say. The only way you can look at that is to go to court. I think that should be avoided.

The thing that people complain about is that people might come to encourage them to go out to vote and they do not want to be molested and so on is no reason or excuse about taking those away. I think what is important is that people do be encouraged to go out and vote. Nobody puts a gun to anybody's head and tells them they have to go to vote. Surely, on that special day once every four years, it cannot be wrong for someone to come and ask if one is going to the polls or if they need transportation. I do not see anything wrong with that, and I think that practise of taking away those registers should cease. As I said, I can see nothing which supports it legally. If it is a practise, I think that practise should cease.

The process of registering voters will start on the 11th of March, which is only days away. I trust that every person in this country will take the need to be registered seriously; and not just to be registered, but to vote. It is absolutely essential. Then realise that when they vote it is a secret vote and they have the legal, unquestionable right to vote for whom they choose. I trust that this will go smoothly.

I believe that as in the past, we can have exemplary elections in that there have been few instances of going to court over malpractices in election in this country. The cases have been very few and far between. No one has ever heard in this country where ballot boxes are found in cane fields and so forth and so on as we hear about in other countries. I think we are very fortunate in that regard.

The Speaker: Will the Member take a suspension at this time?

Mr. Gilbert A. McLean: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 3.47 P.M.

PROCEEDINGS RESUMED AT 4.12 P.M.

The Speaker: Please be seated. The Second Elected Member for Cayman Brac and Little Cayman continuing.

Mr. Gilbert A. McLean: Madam Speaker, when we took the suspension, I was commenting on the Election and the process of elections on the island. I wish to make the observation (as I have never seen it before and indeed, I claim considerable knowledge and experience of being a civil servant for a number of years in service and, also having a knowledge of practise and procedures and of the taboos involved for the civil servants versus the political arm of Government) on the unhealthy involvement of a few civil servants during that political campaign.

There is something called the "separation of powers", and indeed, the political arm is separate from the administrative arm, and for good reasons. The administrative arm, being the machinery of government, goes on irrespective of which Government is in power; governments come and governments go, but the civil servants go on forever. So the saying goes. People within the service who are supportive of the present Government and some of its Ministers seem to believe that that support has to be given through an involvement which goes beyond the performance of their duties in the jobs which they may hold. Everyone in this country has the right to support whom they want, every civil servant has the right to support whom he wants, but when the situation comes to the point that civil servants would unwisely be involved in political committees, or be in public places mouthing off and carrying on about one candidate in their favour and the next one against, it trespasses on the rules. It makes bad for the process of Government's administration. For where a civil servant feels that they are so involved or obligated to any given candidate, it has to influence their attitude towards another even in dealing with them in their regular jobs. It also places them in a position for feelings of resentment

when those Ministers and Members of the Legislative Assembly are no longer around and new ones come about, because people are human beings. That is one of the main reasons, from my knowledge and experience, why it is that way. I state that based on the fact that there are those who long before me made those things very specific by instructing me as a civil servant. You have civil servants who are in daily contact with Ministers, Permanent Secretaries and otherwise, who are there to carry out the responsibilities of that post, to follow the directives, to follow the policies, decisions which are laid down and, beyond that their involvement as to their likes/dislikes is supposed to end.

I make a promise to any civil servants whom I see and know are involved directly (as I know some were in the Bodden Town By-election), they are going to hear

their names ringing from political platforms like they would not imagine. It will be left then to the administration to deal with as they know they should. This goes to all the various categories of civil servants, including (and certainly, particularly) the police force which is always expected to be the most impartial in any action of theirs which must only come about as a result of the enforcement of the Law.

A point I wish to comment on is the situation with regard to the lack of action in bringing to a close the various Select Committees which have now in the work for year in this Legislative Assembly. Of top priority there is the Select Committee dealing with the Bill of Rights. I do not believe that there is going to be any Bill of Rights put forward between now and November. And I do not think it is an accident why this has not happened. I think it is as a direct result of the Government not making it happen. I have heard all sorts of stupid and ignorant remarks from people now and then about the Bill of Rights (including one or two instances among some of my colleagues in this Legislative Assembly), such as, it is going to cost the Government so much money and there is going to be so much litigation, and so much this and that. It is difficult to believe that the people of the Cayman Islands would not want to know there was in the Constitution a Bill of Rights. It is most unbelievable, but it is true.

I suppose part of the problem is that there has never been one. Not that those who have gone before did not want it that way or recommend it, but that we so blissfully go on seeing things happen, letting things happen and no one believing perhaps in his right to the extent that he would want to go to court to see to it that he has his rights upheld. What is of interest is that in the report by the Rt. Hon. Earl of Oxford and Asquith in 1971 there was a call for a Bill of Rights. Now, if I am not mistaken, in 1971 (25 years ago) the wise people of the Legislative Assembly, namely Mr. CA. Hunter, Mr. T. W. Farrington, Mr. W. W. Conolly, Mr. Alford Scott, Mr. Trevor Foster, Mr. John D. Jefferson, Mr. Ira Walton, Mr. Craddock Ebanks, and Mr. B.O. Ebanks, asked that a Bill of Rights be included. That was a majority report, and even in the minority report (signed by Miss Annie Huidah Bodden and Mr. Allen Burkley Bush) a request was made for that then. It is now 1996, and we still have no Bill of Rights. But what makes it even worse is the fact that there was a Bill of Rights in the Constitution given to this country in 1992 and in 1993 it was taken out by the National Team Government. They were studying it, they said. They must be still studying it.

There is also a Register of Interests and a Code of Ethics and Conduct that is supposed to be dealt with. I do not believe there is going to be any Register of Interests or Code of Ethics between now and November (again, it is not by accident), nor is there going to be a law dealing with Sunday Trading or amendments to the Gambling Law. It is pertinent to note that making reports to the House in many instances is really meaningless, because all the report might say is "We met on Thursday for ten minutes and we do not have any report to make." So until a report comes to the House and a Bill is drafted

and passed, then the situation continues just like it was before. We boast that we have so much and, apparently, we do not even have the sense to have a Bill of Rights.

As the world moves on, anyone who stays with the times knows that it is becoming more necessary as the state assumes more authority (and supposedly more responsibility for its citizens) its citizens need to be protected from the state by having a Bill of Rights. The conditions in the country are such that a Register of Interests and a Code of Ethics for all Legislators is indeed long past due. I trust that the chairperson of that particular committee (the Member for North Side) would endeavour to see that something comes of that.

The situation is very strange, indeed, for I remember distinctly the British Officials in the Foreign and Commonwealth Office (as we walked back from a theatre where we had lunch with them in 1990, that is seven members of this Legislative Assembly) suggested and recommended that we should bring legislation to Parliament for a Register of Interests similar to what was in Hong Kong (which I gather was legislation along those lines as the Code of Ethics and Conduct End so on).

I wonder if the Foreign and Commonwealth Office has also fallen asleep over the last six years where they now believe there is no need for such a thing in the Cayman Islands. Obviously, they do not have their ears to the ground if that should be the case.

I, for one, am pleased to see that the Law School continues, and that 28 new students have just joined. There seems to be two particular areas where Caymanians do extremely well: the field of accounting and the field of law. I think the success rate is remarkable. I do not believe (as other people have said) that we are getting too many lawyers in Cayman and that we need to issue degrees and not encourage people to become practitioners of the law. I think it is as necessary as ever, because everything seems to have a legal connotation in life now, and if by sheer numbers alone it might have some influence on the fees that one has to pay, for that reason alone it would be good to have more lawyers.

MOMENT OF INTERRUPTION - 4.30 PM

Standing Order 10(2)

The Speaker: Honourable Member, I do not think you will finish this afternoon.

Mr. Gilbert A. McLean: No, Madam Speaker.

The Speaker: May I have a motion for the adjournment of the House?

The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

ADJOURNMENT

Hon. John B. McLean: Madam Speaker, I move the adjournment of this Honourable House until 10 o'clock Wednesday morning.

The Speaker: The question is that this Honourable House do now adjourn until 10 o'clock Wednesday morning.

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

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until Wednesday morning at 10 o'clock.

AT 4.30 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM WEDNESDAY, 6TH MARCH, 1996.

**EDITED
WEDNESDAY
6TH MARCH, 1996
10.10AM**

The Speaker: I will ask the Honourable Minister responsible for Education and Planning to say prayers.

PRAYERS

Hon. Truman M. 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 II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated. Proceedings are resumed.

Questions to Honourable Members/Ministers. Deferred question No. 3, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

**QUESTIONS TO HONOURABLE
MEMBERS/MINISTERS**

DEFERRED QUESTION NO.3

No. 3: Mr. Gilbert A. McLean asked the Honourable Minister responsible for Agriculture, Environment, Communications and Works why was the Customs Law, 1990, the Customs (Temporary Provisions) Regulations, 1995, published in Extraordinary Gazette No. 21, dated 29th December, 1995, extended again.

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker.

The question is directed at me, but it is dealing with Customs. My Ministry passed it on to the Hon. Third Official Member for answer. It is my understanding that he would like to defer it further to prepare the answer.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

**DEFERMENT OF QUESTION NO.3
Standing Order 23(5)**

Hon. George A. McCarthy: Madam Speaker, every effort will be made to have the answer completed so that it can be provided to this Honourable House during this meeting.

The Speaker: Would you move a motion for the deferment?

Hon. George A. McCarthy: Yes, Madam Speaker. In accordance with Standing Order 23(5) I seek the leave of this Honourable House for the question to be deferred until a date to be fixed during this meeting.

The Speaker: The question is that the answer to question No. 3 be once more deferred until a later day during the sitting.

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

AYES.

The Speaker: The Ayes have it. The answer is accordingly deferred.

AGREED. QUESTION NO.3 DEFERRED.

The Speaker: Question No. 45, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO.45

No. 45: Mr. Gilbert A. McLean asked the Honourable Third Official Member responsible for Finance and Development what is being done to collect and receive an accounting for the large amount of money outstanding in connection with official travel as identified by the Auditor General in his latest Report.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Thank you, Madam Speaker, the answer: The Treasury has dealt with the backlog of accounts. A hard line position was taken and in many cases deductions were made from Civil Servants' salaries to clear their travel advances. The balance owed as at 31st December, 1995, was \$47,197.84 consisting almost entirely of advances paid in the latter part of

1995. A hard line continues to be taken with officers who do not submit claims or clear unspent balances due to Government.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Could the Honourable Member say if the amount of \$47,197 has been collected since the end of December 1995, or if any part thereof remains?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: The majority of that amount has been cleared. There is a seven day period in which officers who travel are required to submit their claims to the Treasury. As I mentioned part of that balance represented claims which were submitted to the Treasury but which were not cleared through the accounts prior to the 31st of December.

The Speaker: The Third Elected Member for George Town.

Mrs. Bern L. Thompson Murphy: Thank you, Madam Speaker.

Could the Honourable Member give an explanation as to what a 'hard line' entails?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: In the first instance a time limit is now set which allows officers who travel overseas a period of seven days to submit their claims. It is not discretionary any more. Once this is not done, if they refuse to submit their claims within a reasonable period, a deduction is made from their salaries.

The Speaker: The next question is No. 46, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO.46

No. 46: Mr. Roy Bodden asked the Honourable Third Official Member responsible for Finance and Development to state if any of the alleged Custom's duty evasion cases have been settled.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Thank you, Madam Speaker, the answer: Two of the outstanding commercial fraud cases have been settled by the Customs Department.

Of the remaining two potential fraud cases, one is going through the process of appeal through the courts, and a fourth has been referred to the Legal Department for recovery of duty through civil action. I therefore request the indulgence of this Honourable House on the two cases pending to not divulge further information as to do so might affect their respective outcomes.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Can the Honourable Member state in the two cases that were settled, what amounts of money were involved?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: In the first of the two cases, the alleged evasion was \$61,192.63. The penalty for restoration applied by the Customs Department amounted to \$106,560.

The second case was \$17,536.48. Two amounts were levied as penalties. The first was \$53,923 and a further \$39,000 was added.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Can the Honourable Member say if it is a policy of the Customs Department to levy penalties in these kinds of cases?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: The law empowers the Collector to levy penalties.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Apart from the two cases which we gather are sub judice, can the Honourable Member state if there are any other outstanding cases left to be settled?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: There are no further cases outstanding.

The Speaker: The next question is No. 47, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 47

No. 47: Mr. Roy Bodden asked the Honourable Third Official Member responsible for Finance and Development to state the Government's debt recovery action plan.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Thank you, Madam Speaker, the answer: The Government is fully committed to reducing arrears of revenue and maximising revenue from all sources. This task is being tackled in a number of ways.

Firstly, there is a backlog of old debts which have accumulated and require to be dealt with. The Centralised Debt Collection Unit will commence in the Treasury on 18th March, 1996, when the Treasury Debt Collector will take up post. A qualified paralegal officer is transferring from the Legal Department and will bring skills and experience needed for the Government to deal with the arrears.

In conjunction with the Treasury Revenue Controller, the Treasury Debt Collector will identify and review all cases of arrears of revenue and commence legal proceedings in any cases where this is necessary in order to clear the backlog.

Secondly, all controlling officers will ensure that revenue due currently is quickly followed up and apply pressure to debtors to pay. Any arrears of revenue must be dealt with promptly and delinquent debtors brought to account. This will require that controlling officers liaise with the Treasury Debt Collection Unit at an early stage to secure payment of debts.

In respect of debtors for medical fees, the Health Services Department is currently thoroughly reviewing arrears with a view to recovering fees owed in all cases where this is possible.

Controlling Officers will be required to provide arrears of revenue returns to the Treasury every three months as required by Financial and Stores Regulations.

The Government intends to issue a clear message to its debtors. In the past, debtors have ignored requests and reminders for payment of debts. However, the new arrangements will be efficient and ensure that Government debts are taken seriously. Controlling officers and the Debt Collection Unit will work to strict time limits and delinquent debtors will be brought to court, where necessary.

To deal with the legal work load, consideration is being given to the use of a local firm of attorneys or debt collection agency to assist with debt collection. In such cases debtors will be requested to pay legal fees and court costs if they fail to pay and are summonsed.

Government will, whenever possible, discontinue services if debts are not paid. There will be coordination between departments so that if any person or company owes any money to Government they will not get the benefit of Government services. The ability to achieve this objective will be greatly assisted by the new integrated computerised accounting system, so That information regarding debts can be coordinated and be made available on-line' to all those officers who require such information in order to carry out their respective jobs.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

I would like to ask the Honourable Member if deprivation of Government services will be extended to include deprivation of medical attention.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Medical attention could be a life and death situation. I would imagine that discretion would be used depending on the nature of the medical attention being sought.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Can the Honourable Member say if the Government has the facilities to accept payment by credit card at departments other than the hospital at this time?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: No, the hospital is the only department allowed to accept credit cards.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. May I ask the Honourable Member to give some consideration and explore payment by this facility? It seems that increasingly we are becoming a cashless society, and many people have credit cards and use them as sources of payment, as this might help Government to collect some of its outstanding debts.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Thank you, Madam Speaker.

This option will be explored. But, thinking about the nature of the services provided by Government, if it is to be used by other departments it will be in limited cases.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: In answering question No. 47, the Honourable Member stated that Government would whenever possible discontinue services if debts are not paid. There have been experiences in the past with garbage collection where many individuals would actually prefer not to have to utilise these services. If this principle prevails in that area, I think you will find some people who would use this method to avoid dealing with the Department of Environment with these fees. Would the Honourable Member say if any consideration has been given with regards to this position?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: At this time the Garbage Collection Regulations makes it a requirement that all garbage collection fees be paid. This will be looked at. There are certain services that will be provided irrespective of non-payment, that is why in answer to the question I said that services will be discontinued wherever possible. In these instances I do not think that in penalising the person for non-payment that this could result in an unacceptable position within the community. Given the level of garbage fees currently being charged to the average homeowner, I do not think that will pose too much of a burden. So it is just following up to ensure that Government does its part to send out arrears notices. As I mentioned the use of debt collectors will also be considered as part of this new arrangement.

The Speaker: The next question is No. 48, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO.48

No. 48: Mr. D. Kurt Tibbetts asked the Honourable Third Official Member responsible for Finance and Development how many contingency warrants have been issued since 1st January, 1996.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Thank you, Madam Speaker, the answer: Nine contingency warrants have been issued to date, four of which have been issued for the same purpose, but under different expenditure Heads.

The total of these warrants is \$162,004. Of this sum, \$143,678 represent amounts approved at the December meeting of Finance Committee, but time did not permit the controlling officers to make payments in 1995. Therefore, the authority to expend these funds lapsed.

Included in the total is \$62,039 which will be offset by the transfer of an equivalent sum from the asset-sharing deposit account that is presently being held by the Treasury Department.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Honourable Member explain to the House the exact procedure were calls for a contingency warrant to be issued?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: The Public Finance and Audit Law provides for the Financial Secretary to issue a contingency warrant which is a written authorisation to meet an urgent need for payment to meet expenditure where insufficient provision is shown in the Budget. This warrant authorises the Treasury Department to make payments to meet the urgent need as and when presented by the relevant controlling officer.

A contingency warrant is an interim measure and the necessary appropriation has to be sought by the Finance Committee in order to clear the warrant.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Honourable Member be in a position to say if during 1995 there were an excessive number of contingency warrants issued?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: The first meeting of Finance Committee in 1995 was held in September. As a consequence of that approximately 160 contingency warrants were issued totalling \$15.2 million. These represented the virement of funds or where funds were blocked in order to enable expenditures to be incurred under other subheads.

When we look at the \$15 million, that would have represented approximately 7% or 8% of the annual Budget for 1995. So it is a question of determining what would percentage of the Budget would be considered over and above acceptable.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: As the Member knows, Finance Committee can be called to meet at any time. Can the

Honourable Member say why it took until the ninth month of the year to hold the first Committee meeting?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: This was the first year that had occurred. Every effort is being made to ensure that meetings are held quarterly. It is a combination of circumstances. A question of fixing the Finance Committee when all the Ministers of Government are available. Also the time will allow for Members of the Legislative Assembly to be available as well.

The Speaker: That concludes Question Time for this morning.

Statements by Honourable Members/Ministers of Government.

The Honourable Temporary First Official Member responsible for Internal and External Affairs.

(10.38 am)

STATEMENT BY HONOURABLE MEMBERS/MINISTERS OF GOVERNMENT

Resignation of Miss Corrine Glasgow, Postmaster General

Hon. Donovan Ebanks: Madam Speaker, as has been recently reported in the local media, Miss Corrine Glasgow has resigned her post as Postmaster General. While I have no desire to either judge the actions of this lady, or to defend the actions of the Public Service, I do feel obligated to fill in a bit of information to a story which appeared in last Friday's issue of the Caymanian Compass.

In particular, it was reported, and I quote: "**Miss Glasgow tendered her resignation in December to Chief Secretary Mr. James Ryan and it was accepted. On 16th February she said she wrote to Mr. Ryan to withdraw her resignation but she received a reply letter refusing her request.**"

It is correct that Miss Glasgow's resignation was tendered in December - on the 6th, in fact. It is at this point that I wish to interject my additional information.

The effective date of her resignation was given as 5th January, 1996. On 13th December an undertaking was given to Miss Glasgow to re-examine a number of personnel matters which were of particular concern to her on the understanding that she would be withdrawing her resignation. Unfortunately, the withdrawal was not forthcoming and the effective date of 5th January, 1996 passed.

After Miss Glasgow confirmed on 15th January that she was unable to withdraw her resignation, the Chief Secretary requested on the 17th January that she indicate a new effective date. When neither withdrawal nor a new effective date had been received from Miss Glasgow by 12th February, and in light of the previously mentioned reviews having been concluded, the Chief Secretary took the decision to accept the resignation and specified her last working day as 29th February.

The Speaker: Government Business. The Second Elected Member for Cayman Brac and Little Cayman continuing the debate on the Throne Speech.

GOVERNMENT BUSINESS

DEBATE ON THE THRONE SPEECH DELIVERED BY HIS EXCELLENCY MR. JOHN W. OWEN, MBE, GOVERNOR OF THE CAYMAN ISLANDS, ON FRIDAY, 16TH FEBRUARY, 1996

(Continuation of debate thereon)

Mr. Gilbert A. McLean: Madam Speaker, when the House took the adjournment on Monday, I had just commented on the section of the Throne Speech dealing with the Law School. I think that the Law School of the Cayman Islands has served this country well. I think both the students and the lecturers are to be commended.

Unlike what I have heard in some instances (about the Law School not being of a high standard) I think that it has produced lawyers of a very high calibre. Indeed, the studies there measure up to recognised university levels in England. In fact, students at the Law School receive their LL.B. from the University of Liverpool. I do not believe that any efforts whatsoever should be taken to slow down the number of persons qualifying as attorneys-at-law, for the Cayman Islands needs attorneys-at-law. While one may say there are many, I think the majority tend to be non-Caymanian. Surely, there is a growing need for legal services in the Cayman Islands.

I think more people would make use of the Law School if they could attend classes in the evenings. I believe it would be a good innovation for Government, and the various authorities who deal with the Law School, to look at that possibility.

One does not necessarily have to go into purely the practice of law once they attain a degree. It is a qualification that can help people in other areas such as banking, accounting, and the like. Certainly, I do not think any citizen would be harmed by having some basic knowledge of the law. I have been asked by different persons whether anything could be done to allow classes in law to be held in the evenings. All that I can do is what I am doing at this instant, mention the fact that Government should perhaps look at allowing studies to be taken in law at the Law School in the evenings.

I have heard on various occasions that the reason for Bills coming late to this Legislative Assembly is because of drafting being held up. I do not know how accurate that is. I tend to believe that certain blame lies in the fact that the Government cannot make up its mind as to what it wants put into legislation, therefore the drafting professionals cannot really draft something which they cannot get the full intention of. I think there are now two persons who deal with drafting. If it was a lack of having sufficient personnel, I certainly look forward to having that situation changed in that it has become more the practice and the rule, rather than the exception, for Bills to come here late, and then the Government resorts to the suspension of Standing Orders.

I think the Portfolio of Finance and Development is one of great importance. This is true in any country because without money little happens in the way of providing services or otherwise for the people of the community.

I believe that the Public Finance and Audit Law needs some amendment and the Financial and Stores Regulation needs some amendment, for I think that the Government could not have gotten into the situation it has, in terms of debts

outstanding to it, if there had been in place laws and regulations which were very specific on the matter of Government debt collection. Whether it needs to be an exercise where handbooks are provided (and I think that would be a good idea) to the officers who control the vote books, or whether special training sessions need to be put on to educate people in the various departments as to Government's practices in collecting revenue, something needs to be done quickly.

The Auditor General showed in his Report, up to 31st December, 1994, that there was approximately \$12 million outstanding. I understand that some has been collected since. But if Government had in its coffers that money owed to it, it may not have been necessary to borrow the money to balance the Budget and to carry on the Capital works.

Also in place to be dealt with in this meeting of the House is a Bill dealing with the Cayman Islands Stock Exchange. I do not propose to debate that Bill at this time, but that is a very big step being taken in the Cayman Islands. I think we need to have more reason for it than that it would be good advertising for the islands and that other jurisdictions providing financial services such as ours have a stock exchange. From what I can understand about a stock exchange, it is very serious business. I am not quite sure how well-equipped we are to take it on.

The Customs Department continues to provide the largest amount of revenue for the country because of fees collected on all goods which come into the Cayman Islands. I think it generally does a very good job and the people who work in that department are to be commended on how well they see to the business of tax collection.

There are, however, various instances where large amounts of money have not been collected and have been long outstanding. There is, for example, money outstanding regarding the new Westin Hotel where they brought in furniture which was not taxed at the correct rate. The amount outstanding is \$243,328.00. Whatever causes such problems needs to be fixed. For if it was \$243 it would be a different thing, but we are talking about almost a quarter of a million dollars. That is a large amount to leak through the collection process.

I think there is need for Customs, the Ministry of Tourism, the Executive Council and all parties concerned, when granting waivers or reductions in customs duties for any operation (least of all hotels), to clearly define what the process is. It should be set down in law or in regulations. There should be proper forms so that everyone would know, and no one would mistakenly allow \$.25 million in taxes to go by because they thought it was 5% when it should have been 20%. Whatever may be needed to correct the situation ought to be attended to.

I have had occasion in recent times to be at the Airport where the Customs Department does a major part of its collection. I observed the interaction between the public and the Customs Officers there. One thing I noticed was that almost all of the officers were young, and I think that is commendable in itself. It shows that the older officers are moving on and making way for the younger officers. But also I observed one thing there that I claim to have some knowledge in, as I am a trained Training Officer. I think it is necessary for some training to be done in Customer Relations. I observed on the spot some instances where members of the public, apparently with every willingness in the world to pay the Government what they came to pay (not contesting the amounts to be paid), found themselves being sent from one hole in the glass to another,

then back to another, and it made for great time-wasting both for the people who were there to pay and for those who were collecting. I think it needs to be seriously looked at.

Again, I observed that some of the officers did not seem to be fully conversant with the computer in the collection of these funds. Certainly the time spent at it and the talking back and forth between the customer and the officer clearly indicated to me that something was wrong. I do not know if it is the programme. I do not know what it is. I simply raise those points because of what I observed.

As far as customer relations go, it is possible for a policeman to be snapping handcuffs on your hands and squeezing them real hard while looking at you and smiling. So I think good temper is necessary in any instance where the public comes into contact with Government Officers offering a service such as Customs. I would certainly encourage, in any training that is offered, that Customs Officers be taught that a pleasant attitude is one to be desired.

I know that I am commenting a fair amount on this particular aspect, but it is a sight to see people in the Customs Department trying to pay their taxes. There is the import form. Now, I claim to be able to read and write and add two and two. On the wall there is a copy posted which supposedly guides one on to how to fill out the form. As I understand, the Customs Officers are not supposed to fill out the form for people like they used to. But I do implore the Financial Secretary to see if the step-by-step directions on to how to fill out the form could be made a bit clearer with perhaps one or two examples in each column. People are not unwilling to pay, they just have great difficulty in calculating what has to be paid based on these instructions. I, myself, have attempted to fill it out on a few occasions. I simply go next door to the Customs Broker and pay \$35 or \$40 to get it filled out. It certainly puzzles me, and I daresay it puzzles many other people.

There are not sufficient numbers of Customs Brokers to do the work for the public. The public may not even be fully aware that there are such persons and sometimes people may be importing a mattress or a piece of furniture and not choose to go to a Customs Broker because they believe they can simply go in and pay the duties and get out. But that form, that overwhelming form, catches them in mid-stride.

Overall I think that the country is fortunate to have in place the type of Customs service that it does, and the many very sharp individuals on staff in this particular department.

I think also commendable is the fact that the Customs Department is doing an extremely good job in drug intervention in conjunction with the Canine Unit. Altogether, I think the country is doing quite well in this direction.

The Economics and Statistics Office of Government has been developed to an extent where I think we can be quite proud. The Compendium of Statistics is helpful to anyone who would take the time to examine it. I think from the point of view of business investors in this country, that must be one of the first things they would want to know - exactly what are the statistics of the country in various areas. I must say there are many that can be examined in the Compendium of Statistics.

This is an area that I believe can and should be further expanded. I believe it would be helpful to include statistical data compiled on various aspects of Government's

functions, be it cheques issued by Government, be it the number of debts coming in which require decision-making, or whatever. With statistics, scientific numerical data, managers are better able to arrive at accurate conclusions. I would recommend that administration-wise, Government's statistic professionals should look to see if there are not areas where they could create statistical data which would be of use to the management process.

For many years it was felt that an economist was not a necessary person to have, but I am glad to see that since those times we are back to where we understand that an economist is necessary. I have been made to understand that the one we had around here years ago was not what he claimed to be and I hope that whatever has to be done in terms of selecting these persons to make sure of their credentials is done. Anyone who is taking money under false pretenses, I believe that Government has every right to collect its money which has been wrongly taken.

Each year we have a Budget. I think the work in that unit becomes greater each year since we are attempting to come to full force in dealing with money management in modern and scientific ways. However many people it might take to man this unit, then I think that ought to be done.

The Budget Document itself has given more information over the years, and certain of the statistical tables and charts are helpful in getting a better impression of the Budget. Sometimes I find it a bit confusing in the capital side of things where we find the title of 'Roads', for example, appearing in two places. I am wondering if that could be done in a way where there would be a vote for roads and, under that heading it would show whether it is a local loan or borrowed money. It is purely an observation of mine. Perhaps it needs to be the way it is, but it does seem like a duplication of the same topic in the Budget.

The Internal Audit Unit must be doing its job quite well too. I understand that it is from what they and the Accountant General do that the Auditor General is able to do his review when auditing. I understand that there are now a number of young Caymanians fully qualified in this area and I am very glad to hear that.

I must say that I have never before this year really seen such a comprehensive review in an Auditor General's Report. I would imagine that in a large part it was due to the internal audit. The two need to work hand-in-hand. Anything that they can find to improve collections, the better off the country will be.

We seem to be changing our currency notes again. If it is for the sake of making the money more difficult for counterfeiters to reproduce, then I am all for that. When our notes changed to all one colour it did not make it easier for shading them. Prior to that they were in separate colours and that made it easy. If it is easier to have them looking more alike and inserting in them metal marks or whatever, I am for that. We in this small community have had several instances where people were smart enough to make notes that fooled people quite often. I understand that a few attempts have been made with our currency notes. Certainly, the American dollar catches regular transformation down here in this society, for in recent times we have had notices from police to beware of counterfeit notes.

Altogether, I think the Finance Department functions quite well, but there is always need for improvement. Many areas of improvement have certainly come to light this year from the reports of the Accountant General, the Auditor General and the Internal Audit, which the Financial Secretary has more access to and that would not necessarily be publicly known.

The Financial Services Department is one upon which we depend considerably. That really only drew a one-liner in the Throne Speech. I do not know if it was taken for granted that we understood the magnitude of that so only one line would do. My opinion in this regard is that within its human resources we need to look very seriously at qualifying as much staff as we can in the business of Financial Services, be that in banking, trust work, accountancy or whatever. We need to do that. It is not sufficient to have a Caymanian Head of Department moving on to greener pastures (which is now the case).

I understand that the structure is such that she is not being replaced with one of our own, she is being replaced with a contracted officer.

We cannot be claiming to be doing so fantastically well and overlook the need for the development of our own human resources in this area. That is something that I think should be quickly attended to, indeed. In the process of Computer Services doing this review, and the integration of the service and staff members and so on, I think there are certain areas that need to be focused on. This is one of them - where persons need to be trained and need to know that they are upward-bound able to reach the highest level they can within the department.

The Ministry of Tourism, Aviation and Commerce is one of the very important Ministries in this country. Say what one may about financial services, I still believe that the largest money-earner for the Cayman Islands is tourism because it is so multifaceted. It is an important job for the Minister who fills that post. It is an important job for the Director, it is an important job for everyone involved in the Tourism effort - persons here and those whom we employ overseas.

I think it is perhaps more susceptible to difficulties simply because, to the larger extent, it deals with people. If we want to find how many difficulties there are in the world let us look at people and we will see how many there could possibly be.

I think it was a major mistake that this report I hold in my hand (the Cayman Islands Portfolio of Tourism, Aviation and Trade, a 10-Year Tourism Development Plan - 1992 to 2002) was not accepted by this Government. Another mistake made by this Government. Yet, what has been called this Government's plan has parts which are plagiarised, and which are to be implemented piece meal. That is why right now I suppose we are paying a few hundred thousand dollars more to find people (consultants) who are supposed to tell us how to implement these pieces, when in this 10-Year Plan it is absolutely complete; chapters and tables in explicit detail tell how to implement the recommendations made there.

The re-invention of the wheel is not necessary. I think, though, that if this was accepted, then what the Government is doing or not doing might have to be attended to. For example, the question of expatriates versus Caymanians would have to be addressed. That has not been addressed under this Government. We hear remarks about the 'expatriates cluttering up the infrastructure', but we do not hear sound policies on how we can educate Caymanians to understand the need for the presence of expatriates, and for expatriates to understand the society and the culture in which they find themselves. We do not find that.

On page 10 of this report I referred to, by Coopers & Lybrand, the 10-Year Tourism Report, is one sentence speaking about the absolute size of the population being a barrier to tourism growth. The people who did the study said this: **"Simply put, there are not enough people for the jobs that can be created."** We know that so well. *Not enough people for the jobs...* We have just brought on line another hotel when one of the recommendations in this report under the 'Accommodation Strategy' said, and I quote: **"A moratorium on Seven Mile Beach should be placed on all tourist accommodation development: hotels, apartments, condominiums, until the occupancy rates begin to approach effective operating capacity levels (about 80%). Based on detailed calculations shown earlier, it is expected that an annual growth rate of 5% over the next five years will result in hotel occupancies reaching these levels in 1998."** This is 1996.

I do not think that a proper scientific approach is being taken to all of the growth we hear about where this whole matter is concerned, particularly when we are creating more hotels when a comprehensive study showed that we should not. On top of that, we are giving them reduction on Customs duty from 20% to 5%. How does it make for good logic and sense?

Cruise ship moorings we have heard about for the past three years, and we are hearing about it again. We have heard, we do not know how much it is going to cost and how it is going to be done. In 1992 the same study I have referred to says: **"Permanent deep water moorings for cruise ships should be constructed immediately to prevent further damage to the reefs which is the lifeblood of the dive industry, a premier tourist attraction of the Cayman Islands."** Not done! If this was accepted it would seem that something would have been done about that.

Tourism involves taking a careful look at our human resource strategy. This includes providing as many Caymanians as possible with the opportunity to be trained in those jobs, with the opportunity of receiving a fair wage, with the opportunity of having proper terms and conditions of service; of having insurance, workmen's compensation and all of those things. This is not the case. It is interesting to note the comment in the Human Resources Strategy, as found by the Coopers & Lybrand Group, where it says: **"Caymanians currently in the work force can be replaced by Caymanians over the next 20 years, because 37% of the total Caymanian population is under the age of 20 and 43% is between the ages of 20 to 49. This, however, depends on a 'no growth', similar job number and a very low turn over scenario."** We know that is not happening.

It is one thing to talk about tourism and the number of tourists who are coming here (as noted by my colleague, the First Elected Member for Bodden Town), but is it quality in terms of money being spent, or it is quantity in terms of packages where three or four people stay in a room and pay \$25 per night?

Tourism has affected our society and there are certainly things we cannot change. We do not want to change the benefits that it brings. But we need to be aware of the sociocultural impact of tourism, the false images that it may create for our population who believes that being a tourist is just for the rich and famous. That is not true! It is working people worldwide, in many instances, who save to come to these islands. They are paying our high prices for the luxury of sitting on the beach and getting a suntan. We, as a people, need not be envious of that because there are those of us who travel to other countries and we, for all practical purposes, are visitors or tourists. We indulge in other countries in ways that we do not do

in our own. But there needs to be a clear understanding among our people in this particular regard.

As I mentioned earlier, the Minister was quoted in the *Caymanian Compass*, sometime ago, as saying that he had to stop the packages that were not bringing money into the country, along with some of the long-haul flights. Having persons around with no money to spend certainly brings into focus that there are all types of persons who visit other countries.

I think this is one of the most important areas that we must address - the whole sociocultural impact of tourism. I hear less and less people saying now that, "Things are fine on my job and I do not feel that people are taking my job away." I hear continuing stories of people working longer hours to earn more money to be able to make it. I hear comments about the people who serve in restaurants and in many of the hotels and otherwise, that there is not a single Caymanian. This in one of the things that we need to face head on in this situation of Caymanians and expatriates.

The Tourism Report that was not accepted makes this very straightforward observation under the heading 'The Relationship between Caymanians and Expatriates is an Issue that must be addressed', and it states: **"In terms of the 'Tourism Issues Iceberg' the issue of the role and place of expatriates in Caymanian society has been to date a 'covert issue.' It is an issue that is 'below the water line'! It is time that this issue was brought above the water line. If it is not, it has the potential to become a significant barrier to the achievement of the 'willed future.'"** I agree.

If we are going to continue to have tourism, which I think we will and we should, we are going to have to deal with that situation. For the people who are non-Caymanians in this society are here for the long term (be they rolled over or not), those bodies are going to be necessary to keep in place the jobs that we have created.

The Speaker: Would the Member take a suspension at this time?

Mr. Gilbert A. McLean: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.30 AM

PROCEEDINGS RESUMED AT 11.55 AM

The Speaker: Please be seated.

The Second Elected Member for Cayman Brac and Little Cayman continuing.

Mr. Gilbert A. McLean: Thank you, Madam Speaker.

When looking at the aspects of tourism, I cannot forget to take into account the fact that Cayman Brac and Little Cayman are part of the Cayman Islands, although I think in a large part it has been forgotten by this Government, deliberately and otherwise.

In the Tourism Management Policy Implementation Plan which was brought to this Legislative Assembly in December 1994, there was a question about it being a policy or whether it was a plan. The plan takes a particular statement out of the Coopers & Lybrand 10-Year

Development Plan, which I think is worth noting because this situation continues indefinitely.

On page 12 of the Coopers & Lybrand Report (which is the same page of the piece meal document that the Government took out) makes this observation; **"During discussions with Caymanians it became clear that a 'we/they' relationship exists between residents of the Sister Islands and residents of Grand Cayman. The relationship is somewhat like the one that exists between a branch plant and a head office. People in the branch plant, the Sister Islands, want some independence and autonomy. They also want their needs to be understood and addressed by the head office.**

"At the present time, the people in the Sister Islands do not believe their needs are being fully met. Their specific frustrations include the following:

"An unsatisfactory level of tourism focussed air service; frequency, type of aircraft and scheduling are unsatisfactory.

"Inadequate representation of the Sister Islands in tourism marketing programmes and investment; and

"A feeling that they are just not listened to, nor given adequate information.

"Whether these frustrations are reflecting reality or perception is not the issue. To implement an integrated, three island, tourism development plan will require collaboration between stakeholders on all three islands This element of the country's existing reality needs to be addressed."

That, among many other parts, is why I think it is such a good report, for the people went to such lengths to find out the real heart and soul feelings of the people of these islands, indeed, for them to make their own assessment.

Talking about things (except when it comes to counselling and so on) does not help too much. Government requires certain action to be taken, and where it is not taken the people suffer.

Only this morning on television I saw where taxi drivers were saying that there is a major problem with ground transportation at the dock. A year (or a year and a half) ago this House passed legislation brought by the Minister for Tourism outlining strong penalties for the management of that condition. Yet, in 1996, it is still a problem. Problem solving is what Government should be addressing.

This morning, too, we heard in this Legislature why a section of the Customs Law was renewed again. We will hear about that later. In one of those magic moments in this House under this Government, late in the night the Customs Law and the Traffic Law were changed - supposedly to take care of the problem. They were going to stop buses of a certain size from being imported. What is happening? I ask. Where are the positive results? Where is the fix-it team in handling these situations? When, I ask, is Cayman Brac getting its share of tourism?

There can no longer be an excuse that the Government is just hearing it from me. The Governor took the entire Executive Council to Cayman Brac and they heard it from the citizens. It has been the same, year, after year, after year. It is nothing new.

Back in 1992 the Coopers & Lybrand Group made this statement when they said: **"However, if tourism to the Sister Islands is to be facilitated, convenient scheduling is critical. This is true not only for the stay over destination visitor, but for those visitors from Grand Cayman who might be encouraged to take a side trip, spending a day or two on the Sister Islands as a way of providing new things to see and do for repeated visitors and extended length of stay."** Much

needs to be done in tourism over and above the number of tourists who are coming here.

The benefits need to be shared by all people who work in the tourism industry; they need to feel that they are a part of it and that they benefit the way they should. I certainly believe that to facilitate tourism it is necessary to expand the Civil Aviation Authority, and I am pleased to see that plans are in place for extension of the Arrival/Immigration hall and the Departure Lounge at the Airport. For whatever reason it seems like all of the airplanes that fly into this island arrive at about the same time. Activity there moves from high peaks to virtually no one in the terminal building. I think, however, that it is very important to have this area extended to accommodate people comfortably, and for the Government's staff to deal efficiently with the process of Immigration and Customs.

Yesterday (Monday) evening, I had occasion to be at the George Town Hospital visiting someone who had had an operation. I heard about a lady from Savannah, whom I know quite well, who has a serious problem with diabetes needing to be hospitalised. But there were no beds. She was on a drip in the outer section called Emergency or outpatient (who knows at this time and place). There were people coming and going, as is always the case at the George Town Hospital. There is no time of day in that hospital when there are no people needing health services. Forget the story that Caymanians like to go to the doctor, and insurance companies are afraid that if they do not allow persons to pay a certain portion of the fee that they may go just because they have insurance. That is foolishness. Ninety-nine point nine percent of the time we are a people who stay home sick to the point that when we go to the hospital it is almost a crisis situation.

For the times that this House has been told that there is no need for beds, and there is no such thing as people being turned away... I do not know who the Government thinks it is fooling. It sure is not fooling the suffering people of this country. It is not fooling the people who, of necessity, must go there for services. There is no Apogee Medica Hospital for them to go to (the one that the hospital was stopped to provide space for). The people suffer through the inadequate conditions at the hospital. The people suffer because this Government stopped them from getting a hospital they could have gotten. There is talk about the good hospital we are going to get. The only thing we have gotten so far is about 10,000 square feet of storage space. I guess it is the biggest storeroom in the Cayman Islands. Where are the priorities?

If this Government believes for one minute that the excuses it is attempting to make about a hospital - that it is cheaper to build a hospital for \$22 million than for \$16 million - are going across the intelligence of the people, it is making a mistake. A terrible mistake. If they believe, too, that stopping the hospital to accommodate Apogee Medica and trying to sell the people of this country that they were acting in their best interests is going across, it is anything but the facts.

If anyone wants to know what really happened, or wants an independent view of that exercise of stopping the hospital, they ought to consult the Commissioner's Report. He carried out a Commission of Enquiry and was appointed by this Government. Certainly, one would imagine that if this Commission was set up and something was found to have

been wrong that the Government would have been rather gleeful. But in summing up, the Commissioner said, and I quote: **"Clearly, a great deal of effort, thought, planning and expertise, by many people went into this project and it could fairly be said that it deserved to succeed."**

The Government made sure that it did not succeed, and the people now pay the price - both in poor medical facilities and in cost to the country. I must say that I admire (and I find it quite incredible) how a handful of medical personnel - nurses, doctors and the rest of it - manage within the inadequate facility that is our George Town Hospital.

The latest I hear is that the costs are expected to be so high for the 'cheaper' facility, that they are now looking at changing the roof design and the corridors to try to save money. What a situation!

As for the health insurance that we hear about, we do not know really what the situation is on that. I certainly do not know. The only way that I have some inkling about what is going to happen is through a report in the newspaper of Friday, 9th February, where the Minister is addressing the Chamber of Commerce. He said that: **"Anticipated maximum premium per person, per month, for children and adults up to age 64, is expected to be \$40 to \$67 at a 10% coinsurance rate, and \$34 to \$55 at a 20% coinsurance rate."**

What I vividly remember is that this country had the opportunity to have insurance where everyone knew it would only cost them \$22.50 per month. The employer would pay the other part of it. We also knew specifically what it would cost the elderly citizens and that was tied down for a two year period.

The Minister who destroyed the Health Services and the hospital is asking, how much? Let him tell the people how much it is going to cost the country.

Hon. W. McKeeva Bush: Tell them how much your plan costs. Tell us.

Mr. Gilbert A. McLean: When anyone talks about costs to the country, he, the Minister now for Community Development, bears all blame.

Hon. W. McKeeva Bush: You could be blamed for everything. That is not strange.

Mr. Gilbert A. McLean: We do not know what it will cost, and the amazing thing about it is that we have not heard that there is any actuary that has come in to do an independent study, as was done in 1992, to get the various facts and figures from the various insurance companies and do an actuarial review where he could specifically say what the costs were going to be and what the insurance companies would make off those fees. We have not heard anything like that.

This game seems to be played out by the insurance companies themselves who stand to benefit when the Government subjects the whole population to a mandatory insurance scheme. What a state of affairs. For three years the Government has been planning strategies for health, and during that time health services have been deteriorating. We have a real problem in this country.

We have not heard about the fees, which we heard so much about, charged at the hospital, being changed. Certainly not, because those fees were set after recommendations by the Public Accounts Committee and the Auditor General and all the rest of it. They were set. Realistically, if they were reviewed at this time they would be found to not be covering the actual costs of the hospital.

What is happening to the people of this country is that they are paying dearly for the mistakes of the Government; of the Minister for Community Development...

Hon. W. McKeeva Bush: Of Ezzard.

Mr. Gilbert A. McLean: Of the Minister who destroyed the hospital and ran!

Hon. W. McKeeva Bush: Tell us about your new hospital.

Mr. Gilbert A. McLean: Apogee Medica could not foot the bill. I wonder if it was to fit the pocketbooks of those associated with it?

Hon. W. McKeeva Bush: Tell us who Apogee Medica is.

Mr. Gilbert A. McLean: In November of last year I asked the Minister for Health to give the amount spent on overseas medical expenses since January of 1994 to date. The answer was: **"The amount spent on overseas medical between January 1994 and October 31st 1995 was \$8,404,795.16."** I wonder how many people are comforted by that? How many people would not be afraid that that situation is what we face in the Cayman Islands?

The Minister for Community Development keeps shouting for me to tell him who Hospital Apogee Medica is. Well, according to the documents I have, there is a letter from a business called Intramed Inc., 102 Tremont Way, Augusta Georgia, 30907, dated 14 January, 1993, addressed to **"Excellency McKeeva Bush, C/O Government Glass House, Executive Council, George Town, Grand Cayman"** It says: **"Your Excellency..."** and sets out the proposal of Apogee Medica. I would like to table this document for anyone who might like to be similarly informed about it. There obviously were in place big time ideas and concepts which fell by the wayside as many of these things do. The people are the worse off for it.

Hon. W. McKeeva Bush: (*interjecting*) I am going to table Donahue, so you might as well table that one.

Mr. Gilbert A. McLean: Education is one of the most vital concerns needing to be addressed in this country. It creates for us good citizens, and it makes for a better community. When Dr. Sybil...

Hon. W. McKeeva Bush: Madam Speaker, on a point of order.

POINT OF ORDER

The Speaker: May I hear the point of order Honourable Minister?

Hon. W. McKeeva Bush: The Member was reading from a document which he said he was going to table. Is he tabling the document or not?

The Speaker: He said he would be tabling it. I am sure he will.

The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: As I was saying, at the Keynote Address for the Third National Education Conference, held here on 20th November, 1995, the guest speaker, Dr. Sybil Wilson of Brock University, said that Aristotle said a good citizen is one who does good. The challenge of the curriculum can be seen as a challenge to develop good moral citizens. This challenge is frequently expressed in the aims of education.

She pointed out that there can be two types of situations: One, like in *Alice in Wonderland*. She quoted from that well-known story, where it said, **"Cheshire puss, would you tell me, please, which way I ought to walk from here?"**

"That depends a good deal on where you want to go,' said the cat."

"I don't care much where,' said Alice."

"Then it does not matter which way you walk,' replied the cat."

"As long as I get somewhere,' Alice muttered."

Or, in comparison, she quoted Jean Rousseau's voice saying, **"We have physicists, geometers, chemists, astronomers, poets, musicians and painters a'plenty; but we have no longer a citizen among us."**

I think the question to be answered is whether we want education to do for us what it should do in the Cayman Islands - inform and improve the quality of life for our people. We have to determine whether we want a national curriculum under which all schools can work so that we can measure standards. We want to determine whether we need and want school facilities that will provide the proper accommodation for students.

I know that a plan which was in place was scrapped by the Government of the day, and has not been replaced in similar fashion with a plan. Where does it leave the children of this country? Where does it leave the teachers? Where does it leave the parents, and where does it leave the business community on a whole? That has not been answered and there is a serious need for an answer.

I see that the Minister for Education has other plans for Cayman Airways. We are supposedly going to buy another plane. We are buying another old 737-200. I wonder now if it is the second one we are presently operating, which was purchased under a contract with no break clause, but which is now going to have the clause broken to buy it, as was done in the case of the other one, for \$5 million. I wonder. Or is there going to be another old 737-200 out there that Cayman Airways will be interested in purchasing.

There were about three Members of this House who argued that leasing a plane with no equity in it over five or 10 years, as the case may be, did not make a whole lot of sense when the plane could be purchased. But is it the right plane? If we are not looking in this country for a more modern, fuel-efficient, noise-abated plane, we cannot be looking in the right direction. I seriously wonder about the idea of Cayman Airways buying another 737-200 aircraft.

I think the occasion of the Agriculture show brings into focus just how much Caymanians are doing in terms of raising crops and animals. It seems like there is more of an awareness by the populace keeping their home gardens (if no more than to reduce the cost to themselves). It is encouraging to those who do give some thought to agriculture when they see the variety of fruits and vegetables grown in these islands.

I hope that this will continue so that there will be more of this, as it is (for one reason alone) one of the ways to stop the outflow of hard currency from these islands to the United States and elsewhere where food supplies are bought.

I sincerely trust that the Protection and Conservation Unit will be given the opportunity to do what it is supposed to do - protect and conserve the environment. Right now it seems to be falling victim to the cutter-head of the dredge. If we are to preserve this situation, then this Unit ought to be given every opportunity to do what was intended for it to do. The people who work there ought to be given a free hand to do what their job descriptions require them to do. We need to change the laws to empower them and we need done it quickly and immediately.

The Cayman Islands needs to have a complete objective study done on the effects of dredging in the North Sound immediately, to determine the damage and to know where we go from here.

I would like to comment on Social Services, which falls under the Minister for all services.

Hon. W. McKeeva Bush: You know Madam Speaker, if I were...

The Speaker: Honourable Minister.

Hon. W. McKeeva Bush: Yes, I would like to cut in. If he could refer to me in my right capacity under the Standing Orders. I do not usually do this, but they do this all the time. So let them refer to me correctly.

The Speaker: Second Elected Member for Cayman Brac and Little Cayman, would you in the future please refer to the Honourable Minister in his capacity as The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture? Thank you.

Mr. Gilbert A. McLean: Madam Speaker, I was referring to the Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture, and also the departed Minister to Health.

Hon. W. McKeeva Bush: Madam Speaker, am I departed, or am I here?

The Speaker: I think you are very much here!

Hon. W. McKeeva Bush: Thank you.

Mr. Gilbert A. McLean: Madam Speaker, there seems to be a growing trend in this country for a sector of our community to have need of Social Services. That is perhaps one of the most taxed areas of Government for there are not sufficient persons, certainly not to the extent that there could be, to do the job required of them. I believe that those people in the Social Services have as high a degree of stress as the distressed persons who often go to them daily for assistance.

While there is always room for improvement, they cope quite well. In fact, that is the information that I have, although I do get complaints from some persons from time to time.

The Social Services Department is set up specifically to deal with the needs of the people in this community which others do not deal with; to hear the

problems of people that others do not hear; to hear of distressed situations where people do not have any money and they need Government to assist them. Those persons who work there are under obligation to keep that information confidential, under the regulations of the Civil Service.

They are trained to deal with people in that capacity. There are no Ministers of Government who are expected to do this. It is not their duty, except to hear a complaint and refer people to the Social Services. It has always been that way. But there has been a sudden and dramatic change. It has come about since the time of the

Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

It has changed to the extent that now in the Ministry there is an amount of \$1.7 million for Financial Assistance. Why, I ask, has that come about? Why is that \$1.7 million not with the Social Services where it belongs? They can make an independent determination of where assistance is needed, and it need not be coloured by any political view as to who is in need of that.

Out of that vote we heard that pensions to veterans are to be paid. The Finance Committee approved in one instance \$179,000, right behind that, \$110,000; and during Question Time we heard that recurrent revenue expenses for these pensions alone is going to run close to \$1.5 million per annum. Why?

Too many things in this country are taking on a politicised image. Where any Minister is the benevolent giver, to any extent, of such things, it naturally buys from the recipients a certain feeling of goodwill toward the benevolent giver. In other words, it takes on the tone that it can help win votes. Is that the reason?

I have heard people in this community, business people, at that, speak of that vote as a 'slush fund'. The Minister is on record as saying that the Social Services is not really dealing with the matter to the extent that it should be, therefore it is necessary for him to do that. I wonder what qualifies him in that regard, or any group of persons in the Ministry.

Hon. W. McKeeva Bush: On a point of order, Madam Speaker.

POINT OF ORDER (Misleading)

The Speaker: May I hear the point of order, Honourable Minister?

Hon. W. McKeeva Bush: The Member is misleading the House. I have told the House that we have set up a committee; that the committee handles it, that the Treasury pays it out. I have said all that many times. He is misleading the House to say that the Minister is handling these funds. That is not so.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Madam Speaker, I did say the Minister or any persons within the Ministry. Why not the Social Services?

The Speaker: In either case, I am sure that he did not mean the Minister personally, but it would come under the Minister's Portfolio. I accept it at that. Please be careful with your comments in the future, Second Elected Member for Cayman Brac and Little Cayman.

May we take the luncheon suspension at this time? Proceedings will be suspended until 2.30.

PROCEEDINGS SUSPENDED AT 12.44 PM**PROCEEDINGS RESUMED AT 2.43 PM**

The Speaker: Please be seated.

The Second Elected Member for Cayman Brac and Little Cayman continuing.

Mr. Gilbert A. McLean: Madam Speaker, before I continue to speak I would like to hand to the Serjeant-at-Arms a copy of the document I quoted from earlier which I said I would table.

When we took the suspension for lunch, I was commenting on the fact that financial assistance has now been moved to the Ministry of Community Development from the Social Services Department, where I think it belongs. I commented that it gives the wrong impression towards a benevolent political giver and I think it is inconsistent with the way accounts are or should be handled in Government.

The Minister commented that he does not deal with financial assistance, but that it is dealt with by certain members of his staff whom he has appointed to a Committee. The Minister has been very visible in giving out pension cheques in the recent past, so dealing with money is left to anyone's conclusion and opinion as to what it involves. I have seen a tent set up to the east of the Administration Building where cheques were supposed to be handed out by he himself to the veterans. I know he was handing out cheques to people in Cayman Brac, including a cheque for at least one dead person whose name was called but who could not answer the roll. So it is, indeed, a question of perception in these matters.

This question of pensions to veterans is something which I hear a lot about. This morning I received a call from someone who had heard that the common-law wife of a veteran would be eligible for benefits. He asked me if I would check into it to find out if this was the case. This whole state of affairs has been poorly handled, I think, and it certainly brought a lot of political focus. For example, the letter which was sent out on the 19th of December to all veterans and their widows, signed by the Minister for Community Development said: **"It is with great pleasure that I forward to you on behalf of the National Team Government, this small token of appreciation from the people of the Cayman Islands for the contribution made by you, your spouse and family, for dedicated services with the allied forces during the World Wars."**

Those pensions are not the magical work of the National Team Government. Those are the funds of the Treasury, which were approved by all the Members of the Legislative Assembly - all of the elected members who make up the Finance Committee - to be paid to those eligible persons. As far as I am concerned, it was wrong and misleading for such a letter to be sent out in such a manner. It is certainly something new, as far as Government's correspondence goes.

Evidently there was such a rush to pay this money out that some persons who received it appear now to not be eligible for it, including persons who had been in the Vietnamese War which was a war fought by America. Of course, while some Caymanians who were born here were involved, this only means that they changed their citizenship and found themselves in the Armed Forces of the United

States. But we understand that nine such persons have been paid money - money, which supposedly they were not due to receive, and which no attempt will be made to collect. But it has been stopped.

While, on the other hand, people who actually served in the Trinidad Navy or the British Navy during the last World War who are eligible for it will not receive it because they, or their spouses as the case may be, are not living in the Cayman Islands. I cannot believe for one moment in time, that someone who is eligible to earn that pension will not be paid because they are not living here. They gave their services and they are qualified; they are eligible and it is unfair to those persons not to receive that pension.

I think the fact that there has been some recognition of the common-law spouses of some of these eligible servicemen is good and proper, because there are situations in the islands where persons have lived together as husband and wife for many years but were not married in the church. They were married in terms of being together as those who had taken vows. So I think that it is good logic, and it is right and proper.

Where some people found themselves excluded simply by not living in Cayman, even where they have sent an application for claims and would be found eligible, is the highest degree of unfairness that I think could come about in this whole affair.

What strikes me about it is that while they are eligible it seems, they are not on the island, therefore they cannot vote. I do not know if the two go hand-in-hand.

POINT OF ORDER

(Imputing improper motive)

Hon. W. McKeeva Bush: Madam Speaker, on a Point of Order.

The Speaker: Honourable Minister for Community Development.

Hon. W. McKeeva Bush: Madam Speaker, I have been listening to this Member...

The Speaker: May I have one Member standing? Please continue.

Hon. W. McKeeva Bush: I have been listening to this Member dealing with this Social Services and Veterans' benefits. In his speech he has made references to slush funds several times, and he is now into vote-getting. I think that is imputing improper motives.

The Speaker: I have already asked the Second Elected Member for Cayman Brac and Little Cayman to be very careful with his remarks while making his presentation. Will you please avoid anything that might indicate that someone is doing something improper?

Please continue.

Mr. Gilbert A. McLean: Madam Speaker, I have had calls from various persons who feel that they are eligible for this, including persons who believe that it is unreasonable for some people whom they know do not qualify to receive these pensions; while others who are qualified and eligible under the now prescribed requirements are being refused the opportunity of this pension, particularly because they are not living in the islands.

We would expect that the monies expended now would be reduced in the future in that the persons who are eligible

(having been veterans in the last war, or their spouses) will be deceased in the future, thus the expenses paid will be accordingly reduced. However, the point that I make on it all is that within a Governmental framework this matter of payments can be handled (and as far as I am concerned should be) directly by the people in the Social Services Department who can make that determination - as it is their business to do - and the money can be paid from the treasury or be mailed out.

They do not have to go through the process of collecting it from a political Ministry in the Glass House.

I have certain concerns as well about what is happening with monies being spent or given out, supposedly as sports grants. In a recent newspaper article the Minister for Community Development is shown handing a cheque, in one case for \$50,000 to someone in West Bay, and another cheque for \$30,000 to Mr. Tony Powell in Breakers for the Breakers Play field.

I heard much about the latter cheque during the Bodden Town By-election; the generosity of the Government and all that the Government was doing for sports, and what the people who are associated with sports would be doing. The point that I am making is that the money being spent on sports in this country is over and above what can be considered reasonable in the face of so many other areas of need, such as medical services, education, and the like.

I know from the days when I was in the Service that the Government gave grants or paid certain expenses for sports clubs and associations. But the way it was done in those days was when a bill was brought for a particular item or cost, the Government issued its cheque when it was satisfied that this was all in place. Now, Government's money (in denominations of \$50,000 and \$30,000) is being handed out. I raised the point in the Finance Committee during the last meeting and I was told that, supposedly, the accounting comes afterwards. There is something really wrong with that form of accounting in Government, in my opinion.

The Government's statistics show that the highest average salary in the country is \$3,004 per month. That means that the amount of \$50,000 could almost pay the salary of two of the highest paid persons in the country in one deal, where a cricket field or some such thing is involved. The Statistical Abstract also shows that labourers and unskilled persons in this country earn an average of \$724 per month. So, with \$50,000 and \$30,000 a number of persons in this island could be employed for the whole year. I think we are seriously missing reality in this country, and what is happening ought to stop.

Government business is not being conducted in the usual conventional manner with these huge handouts of money all over the place, sports and other areas included.

We understand that the Housing Development Corporation is seeing its last days in existence and the Mortgage Portfolio is to be sold. I have always said that I think it is a mistake to do so because financial institutions do not jump up and dance about helping those people at the lowest rung of the economic ladder. Certainly, in the Cayman Islands we do not find that happening.

There is a large number of people who need assistance. Government had in the Housing Development Corporation a means by which they could address this. They had a staff which was trained in the whole business of mortgages and assessing the ability to pay and so on. Now it stands to lose that because it is being closed down. We hear about this wonderful new idea of guaranteeing homes on the

island. Supposedly (like many things the Government says), there is a new venture to provide lower income housing. They claimed that they were already doing that, they were offering those mortgages for as much as \$100,000. Now they have reduced that figure realising that that could never represent lower income. I think it is unfortunate, but this certainly needs to be addressed, and quickly.

I saw in the newspaper of Wednesday, 14th February, the headline 'The Church Calls for Clean Election.' I read it with interest. There is one particular part that caught my attention, and I wonder just what it means: "**We commit ourselves to oppose and if necessary expose any candidate who violates such standards as would advance human dignity and nation building.**" I am not quite sure how to interpret that.

I am wondering how far that is intended, or whether there will be an intrusion of something new - the churches into the election process in the forthcoming election. I do not disagree with the various standards which it speaks of in this article, such as, "**...the church is urging voters not to accept any gifts or any other form of enticement as an inducement to vote for any candidate.**" I think that is right and proper, but I wonder about that particular statement. I hope that somewhere along the line there will be a clarification on that because it would be most unusual and unwise for our churches, which attend to moral and spiritual needs, to become embroiled in what might be considered a counter-campaigning effort against persons who might be perceived not to meet the standards which have been emphasised by the churches.

There are many things which need attention in this country. Among them is the question of the issuance of work permits. I recently saw a front page article on that particular aspect of life in these Cayman Islands. It said that most of the work permits were now up-to-date and so on. I think that careful attention needs to be paid to the issuance of work permits - how many are issued, to whom they are issued - to ensure that when they are issued there was not a Caymanian in a position to do the job for which the permit has been issued.

I have said this many times. I have been criticised in some instances about it, while other people agree. I have found it necessary to speak on matters where other Members of this House prefer (for whatever reasons) not to speak, because I believe in them, or I believe it is the right thing to do. Perhaps it would be right at this time, purely for purposes of the record, to factually refute some of the nonsensical arguments that I have heard time and again about myself and my colleague, the First Elected Member for Soddan Town, opposing things in this House.

I have endeavoured to speak on any point with which I think it is right to disagree. In the majority of instances, I make that known and I speak to the other side of the story, and I support the business which is before the House. The staff of this Legislative Assembly have very kindly collated some statistical data for me (which I hold in my hand) regarding Private Members' Motions, Government Motions, and Bills, which have come to this House since 1993. Just for factual purposes, it shows that my colleague, the First Elected Member for Bodden Town, and I have brought over the past three years and three months a total of 43 Private Member's Motions; 37 were rejected by the Government. It also shows that the Government in toto brought 94 Motions and Bills. He and I voted for 85. That is an outstanding record on both sides, but one clearly shows the negative attitude that the Government has for everything which comes to this Legislative Assembly brought by the First Elected Member for Bodden Town and myself.

We recently had a visit from six Members of Parliament from the House of Commons. I understand that they are part of an effort called Friends of Cayman, which to me has strong positive connotations - to have persons whom Members of this Legislative Assembly know personally and can have direct contact - who have come and have seen, and who should be in a position to counter certain negative stories which come out regarding the Cayman Islands. These stories were apparently in the minds of even those who came here.

There was one in particular, whom I saw on the morning television show, who pointedly talked about money laundering and laundering of drug money in the Cayman Islands, and that the Cayman Islands needed to pass legislation to put an end to that, and so on. It is my understanding that he was referring to the Confiscation Law that has been around here for over a year. I support the legislation that is in place now which allows the Government to deal with matters relating to money laundering and all the other criminal offences which may come about, but I have a serious concern about passing that particular piece of legislation. I suppose I am the only one prior to now who has mentioned it, but that legislation is most peculiar in that it seems to allow courts abroad to make demands of the Cayman Islands, which the Cayman Islands is virtually expected to carry out, in regard to seizing of assets and so on.

It has another peculiar aspect about it in that...

The Speaker: Honourable Member you are anticipating a Bill that will be coming before the House which you will have a chance to debate.

Mr. Gilbert A. McLean: Madam Speaker, I understand that it is coming in a different form. I was simply mentioning one or two things which come to mind that I found in it. So be it, until that time.

My concern is that the British Government seems to be more consistent on that piece of legislation, and I have been told by legal authorities that should this House even refuse to pass it, that it can be passed through what is called Order in Council. I think that could have very serious repercussions for this country.

I was talking about this with someone and the person said to me 'suppose they do that and it destroys our financial institution, and we become dependent on England like some of the other territories?' I said to the individual that they should be aware that the Cayman Islands does not fit the general profile of dependent territories who are, because of economic straightness, always begging for or depending upon help from the United Kingdom Government. The fact that a little island like this has achieved to the extent that it has makes us highly disliked by the industrialised nations of the world who see this country as keeping money away from their tax collectors. They do not give a hoot if they break us here and put us in a begging posture, because that is the profile that fits the Caribbean - and has ever fitted it since the days of slavery.

All of us in this Legislative Assembly ought to get real wise and real smart and understand that going and saying to the big powers, the G-7 nations, that we are so honest, so clean, that we are not doing this or not doing that, does not matter a row of pins to them. We have got to get real smart, and real wise, real fast in that particular regard. I

would say to all that we can go down the shoot quicker than we might be expecting.

The Speaker: I think the Second Elected Member for Cayman Brac and Little Cayman has now completed his four hours.

Mr. Gilbert A. McLean: It might be an excellent time to just complete it.

Thank you, very much.

The Speaker: The First Elected Member for Cayman Brac and Little Cayman.

Capt. Mabry S. Kirkconnell: Thank you, Madam Speaker. I rise to make my contribution to the debate on the Throne Speech so ably delivered by His Excellency the Governor, Mr. John Owen, on 16th February.

It was a very comprehensive document which covered much ground. Before I go into that, I would like to preface my debate by paying my gratitude to the electorate of Cayman Brac and Little Cayman as this is the 16th time that I have had the opportunity of listening to a Throne Speech delivered in this Honourable House by various Governors, as well as having the opportunity of representing the people of that district.

During these 16 years, I have had the opportunity to see much physical development in all aspects. Our country has developed as a tourist attraction, a financial centre and an excellent place in which to live. We should all be very proud of our educational system and of the standard of living that we are able to have in such a small land mass, consisting of three islands. I hasten to add that the Cayman Islands is made up of Grand Cayman, the most developed of the three islands, and the seat of central Government; the Island of Cayman Brac, which is quite a considerable distance behind in development; and Little Cayman which is making economic strides presently.

All in all, I want to impress upon all Members of this House that if we look back into the History of these Islands (I have the advantage because I am older than most Members, and can remember the Cayman Islands at a different stage of its development) we will realise that we have come a long, long way. I caution all today, as this is an election year, to ensure that everything we say will lead to the development of the Cayman Islands and not the breaking down of what our forefathers and we ourselves have developed.

It has been said that Rome was not built in a day. But it certainly disintegrated from within in a short period of time. Today I think our biggest enemies are those of us within our own territorial waters who would strive to destroy us. It is imperative that we all work together and look to our Heavenly Father for guidance, so that what we say and do will help to continue the prosperity that we have enjoyed over these many decades.

His Excellency the Governor said in his Throne Speech "**The responsibilities of success do not only rest on the shoulders of government. We all have responsibilities. Twenty years ago a visitor wrote that these islands had 'a continuous tradition of forthright sturdy individualism together with habits of self discipline and self reliance born of sea faring.' The history of the islands is full of stories that reflect the independent nature of the people of Cayman. These were people who were strong and self reliant - and proud of it.**" I say to all of us today: let us continue that tradition.

I am the only Member now serving within this legislature who does not live on the Island of Grand Cayman. Therefore, I will be making most of my contribution on the district

which I represent, Cayman Brac and Little Cayman. Before that, I shall touch briefly on other departments, Ministries and Portfolios of Government.

I go first to the Judiciary. I am glad to hear that an additional area will be made available for the courts. We all know they are extremely crowded and this is extremely necessary. It is my hope that within the very near future additional courts and storage space will be available for those working in that department.

I would like to express my appreciation to Mr. Justice Schofield, who recently left our islands, for the service he rendered here in the Cayman Islands.

While touching on the Courts Building, I would like to ask the Legal Department and the Judiciary to consider relocating the Magistrate's Court in Cayman Brac to the Aston Rutty Centre, as it was located there prior to the construction of the new Government Administration Building. The Government Administration Building in Cayman Brac has run out of space. All the departments working within that building are extremely crowded. I am thankful to say that the Magistrate's Court does not have to be used too frequently, and I feel that with the Chief Justice's consent the Aston Rutty Centre could be made available to serve the needs of the Magistrate's Court with minor expense and that the space now occupied by the Magistrate's Court in Government Administration Building at Stake Bay could be used for other departments.

For many years we have asked for additional funds to enlarge the Government Administration Building, but due to financial constraints it has not been forthcoming. We were able to make a small addition for the Social Services Department, but there is still a need as all other departments are housed within that building.

The Portfolio of Internal and External Affairs: We are proud that we have a native Bracker as Chief Secretary. We wish him all that is good. We feel that his being responsible for District Administration is excellent. He is doing an excellent job in guiding the District Administration, and having had over 10 years experience in that office, he has all the qualifications and knows the needs.

I would like to congratulate the new Commissioner of Police of the Royal Cayman Islands Police Force. I am very proud of the policies he has instituted since becoming Commissioner. I think the idea that he publicly stated, that the police is a *service* and not a *force* is very fitting as we need a strong alert police service which can be a friend to all and protect us at all times.

I am happy that he has seen fit to recommend that a full time constable be stationed at Little Cayman. This is necessary. It has been necessary for some time and I feel that the islands will benefit. We certainly will be able to have better police protection and control over what goes on within the island of Little Cayman with an experienced full time constable on duty there.

There are other programmes that the Commissioner has installed here in George Town. I particularly think that foot patrol by police is an exceptionally good idea. It gives one an opportunity to see the police. When the police cruise through the district at 30 mph in an air-conditioned vehicle, he is barely seen and he cannot see what goes on within the district. We need the beat patrol. I hope that as time goes on it will be installed in the larger districts of Grand Cayman where I think there is a need for it.

The Prison Department: Unfortunately, the population at Northward Prison does not seem to be reducing. Therefore, we must continue to improve the facilities there. I hope the visitor's block will be completed. I am very pleased that the drug counselling will be increased there, and I will deal more with this when I deal with the Drug Counselling Department. It is important that we rehabilitate the unfortunate people who are forced to serve at Northward. If they are incarcerated there for long periods of time and come back out only educated by criminals of a worse nature than themselves, we are the losers. We need rehabilitation.

The Department of Immigration: During the Cuban crisis here in Cayman, this department had a major responsibility. I think it disrupted a lot of their activities. I hope now that that is over that they will be able to get back to the real purpose of the Immigration Department. I look forward to the community on a whole being better satisfied with what is coming out of the Department of Immigration.

I do not live on this island, but I have ears and I hear the same things as other legislators. Therefore, I am concerned that we improve the services of our Immigration Department.

Our Immigration Officers are the first to meet our arriving visitors. Unless they are pleasantly greeted, and their needs are served (whether it be an extension of time, or whatever)..., each and every officer must perform his duties in the most civil manner possible because the country would not need an Immigration Service if people did not come to our island - these people make their jobs possible.

I am glad to know that the Immigration Board is now able to deal with work permits on a faster basis than in the past. There does not seem to be so much waiting time. It is encouraging to see that they can deal with the issues as they come up.

While speaking on Immigration, a deficiency I see in Cayman Brac is the fact that in the Customs Department it has been necessary for many years to have a Deputy Collector of Customs and an Assistant Collector on Cayman Brac. I know that Customs is the largest revenue earner in the country, and I understand the heavy work load that they have. But, for a person serving in the Immigration Department there is no chance for promotion. The Senior Immigration Officer who is in charge in Cayman Brac is a very dedicated individual, but the only possible means for him to get an increase in salary would be if he left the island and came to Grand Cayman to work.

We need his expertise in Cayman Brac, therefore I feel his grade should be increased with the responsibility that he must shoulder as the only Senior Immigration Officer on Cayman Brac. I ask that this be considered when the re-grading of posts is looked at. Cayman Brac does not need to lose its citizens to Grand Cayman. We need to encourage people to return. The cost of living is high, and a man with a family must earn whatever he is capable of earning in his productive years.

Information and Broadcasting: I want to again say how important Radio Cayman is to the residents of my district. We look to that for information and what is going on in Central Government and in Grand Cayman, and, particularly during the hurricane season for weather reports. Although we are promised year after year that relay stations will be established in the shade areas of the bluff, so that residents in Spot Bay and Watering Place (who live rather close to the bluff) will be able to receive Radio Cayman - this still has not been done.

The television station has been able to overcome this problem with their signal, but Radio Cayman still promises us

that the equipment is on order and it will be done. I am confident that it will be done, but I am today asking when?

As I said earlier, I will skip District Administration because I want to end my debate with that subject.

Personnel, Training, Management and Computer Services: I am grateful that the training of our department heads and personnel is ongoing. In recent months there have been courses in Cayman Brac where some of the senior personnel have been brought from Grand Cayman to attend courses there which enabled them to see first hand what goes on outside of Grand Cayman, and this gave an opportunity for the department heads in Cayman Brac to meet their counter parts here in Grand Cayman.

I am also encouraged that Computer Services is moving ahead in management, but we still have a problem with the upward mobility of our Caymanians within the departments. I think training is very, very important.

The Legislative Assembly: It is doing an excellent job, and I congratulate you, Madam Speaker, in your capacity, and also the Clerk and her entire staff. We all are very sympathetic to Miss Mary, the one who has provided so well for us over the years, in her illness. We hope that she will continue to improve.

We have seen much improvement within this department since I came in in 1980. I think if we all stood at a distance and looked and saw where we came from, I think we would realise that we are a progressive country and that we are moving ahead.

I do not believe that our constituents generally realise the amount of work that is done by the Legislative Department. They feel that we only meet a few times a year; they do not realise that we have Select Committees and the amount of work there is within the Department for the Clerk and her staff.

Many Select Committees have been ongoing for a very long time - very important Committees. I look forward to many of those being completed before the end of this year. The Standing House and Standing Business Committees have important functions as well as the Standing Orders Committee. I realise that it is only because we are able to regulate ourselves that it is able to function as efficiently as it does.

I am glad to see that new efficiency measures will continue to be applied to the editing of the Hansard Reports. This will mean a lot to future generations as they read the history of these islands and what took place within these hallowed Chambers.

I would like to express much gratitude to Mr. Thomas Russell, the Cayman Islands Representative in the United Kingdom, also to his able assistant, for their efficiency in representing the Cayman Islands and also for their kindness to us all whenever we visit the United Kingdom. I do not think there will ever be a fitting replacement for Mr. Russell, and I hope that he will be able to continue with us for a long time. I think he is ably suited for the job, having expertise in so many fields which contributes to the excellent job that he does.

As we approach the election in November, we certainly hope that this will be a peaceful well organised election. I have much confidence in the Supervisor of Elections and his Deputy and their entire staff. I have no doubt in my mind that it will be conducted in a proper manner. I just hope that those of us who campaign will

remember that everything we say has a reflection on the Cayman Islands as a whole. When we think we are talking about an individual, we are actually talking about our country. I ask each and every candidate to be cautious. Campaign, yes, but be very factual and straightforward in your campaigning.

I would like to once again state that I feel the time is now that we should have a full time supervisor of elections. I think our registration should be on a continuous basis. Due to the passing of the late Haig Bodden we had to have a by-election and although late in the term, the only ones able to vote in that were the ones who qualified prior to the 1992 election. There is a cut-off date for the 1996 election which is rapidly approaching.

We are not able to extend the franchise for the right to vote at 18 to people, as our Constitution says, if we do not have them registered to vote. Therefore, I feel it is time that we have continuous registration and an up-to-date voting list of all registered voters available at all times. I would ask the powers that be to give serious consideration to this because most countries less developed than we, have that facility.

The Portfolio of Legal Administration: The Law School is a credit to the Cayman Islands. It makes me feel good when I see the number of our young Caymanians, both male and female, who have qualified as attorneys at law here in the Cayman Islands. We have a need for attorneys and without having a Law School here it would have been impossible for many who would only have been able to attend on a part time basis to secure their degree. It has been exceptionally beneficial and I congratulate the entire staff of the Law School.

I am also glad that the Legislative Drafting Department is now fully staffed. We always have a need for legislation to be drafted and prepared. In order to keep up with the number of amendments to legislation and what have you, I am glad that this is functioning. I would not be surprised if we have to further expand that department.

The Customs Department: This department certainly comes in for accolades each year for the amount of money they are able to collect. I am very proud of our Customs Department, also their vigilance in looking out for illicit drug trafficking. I think a necessary ingredient is for them to meet our visitors with a smile and to be a courteous as possible.

I am also gratified that the manning clause of our Shipping Registry has been clarified so that we are now able to get more ships registered in the Cayman Islands. It is my hope that within the very near future that can be a revenue earner for the Cayman Islands. Certainly, it was unfortunate in the very beginning that the clause was not worked out. But I guess everything takes time and at that particular time there were many large ships that wanted to register here but who could not comply with the British Board of Trade manning requirements.

I still believe that the time has come that we need a registry of yachts at the Port Authority. I feel that would be beneficial in keeping track of the locally operated yachts within the territorial waters of the Cayman Islands. It is done in most other countries. They would not have to comply with all the international requirements of shipping. The Port Authority could establish their own marine requirements. It could be a revenue earner, and could certainly give us control over who and what is floating in our territorial waters.

The Budget and Management Unit and the Internal Audit Unit are all functioning well. Other Members have spoken on that at length, so I will not delve into that.

The Currency Board and the Pension Board both are very important to this Government. It was a very excellent decision when the Currency Board was established. I often wonder where this country would be if that decision had not

been made when we decided not to use the Jamaican Currency any more. I wonder where our financial stability would have been. I feel many good decisions have been made and the establishment of the Pension Board is very important.

The Financial Services Supervision Department: I would like to thank Mrs. Dilbert for the service she has rendered to this country during the time she was head of the Financial Services Division.

I had the opportunity of going on that trip last year to New York London and Hong Kong. I was very proud to see how this country was accepted in those territories and the able way in which our Financial Secretary, the Attorney General and all the other Ministers were able to present the true story of how our Government operates. We held our heads very high as one of the leading off-shore territories.

I go now to the Ministry of Tourism Aviation and Commerce. Every Minister within this Government has done all within his power to move ahead. I am encouraged with the development within the Department of Tourism. I think we all realise that we depend heavily on revenue from tourism to keep our economy buoyant. We must be prepared to spend money to advertise and keep the department going and to inform the rest of the world about the Cayman Islands.

The Department of Tourism and the Minister have not only attempted to tell the world about the Cayman Islands, they are attempting to improve the Cayman Islands to encourage those who come here to want to come back. For that, I congratulate them. I think the establishment of the Botanical Park, the restoration of Pedro's Castle (and I could go on and on listing the many projects) will develop something for the tourists to go back and tell their friends about so they will want to visit. I think for too long we have depended upon scuba diving. That attracts one element, but we are a very fortunate territory in that we have three destinations all at different developmental stages. As we create attractions we are no longer only depending on scuba divers, but will get people who want to come for the beauty of the tropics, the bird watching, and the list goes on and on. I think the mature approach that the Department has taken within the last three years will do much to encourage continued growth in this department.

I am also most grateful to both the Ministry and the Department for the inclusion of Cayman Brac and Little Cayman in their advertising programme. It is encouraging for those of us who live there, and certainly encourages the tourists to travel there. I just ask that we concentrate on developing.

One can come to Grand Cayman and see a developed island. One goes to Cayman Brac and sees a much slower pace. I feel that we can concentrate on the bluff in Cayman Brac (we do not have a beach like Grand Cayman). It is unique. It has facilities which can be developed, it is two-thirds of the land area in Cayman Brac, and I think that whatever potential we have for development rests on the bluff.

The restoration of Pedro's Castle is very gratifying to me in that history relates that my great-great-grandfather built Pedro's Castle. That certainly brings it close to me and I am happy that it will be restored and be something that will live on far beyond my time. I think that is what we must continue to do - look to the future and develop the Cayman Islands.

The Fire Department: This is something that we all depend on heavily. I do not think people appreciate the Fire

Department until they have a tragedy. I lost my home some years ago, and I know exactly what they did for me by getting there as quickly as they did, and how professionally they handled it. I am very proud of the young firemen that we have in the service. The Chief Fire Officer has done an excellent job in developing that service. It is a guarantee to us that when we need them they will be there, and when they arrive, they know what to do.

The Port Authority: I am very pleased to see that the Port Authority will be taking delivery of a container crane in 1996. I think this is a piece of equipment they have needed for many years. I am glad to see it. I understand it is a very large piece of equipment capable of handling much larger ships than now dock at the George Town port. Therefore, this is looking to the future.

I cannot say that I am as happy to read about the implementation of permanent moorings as I am of the crane on the dock. I do have some concerns about permanent moorings in George Town. I am afraid that they are going to limit the number of cruise ships able to use the Port of George Town. A Captain will not come to a permanent mooring as easily as he will come to drop his hook, because he can drop his anchor where he wants to put it rather than having a pilot take him to where it has been pre-arranged.

As a former master mariner, I have reservations about a large ship at a permanent mooring. Nevertheless, the decision is not mine and I will wait to see how it works.

The Port Authority has also been making plans to extend the docking facility in Cayman Brac. If anything develops in the way of a free trade zone, that may be necessary. We look forward to talking to the Minister about that as time progresses.

Civil Aviation: I am very happy to see that the Owen Roberts International Airport Terminal building is going to be enlarged. I think that both the departure and arrival areas are much too small for the number of aircraft which arrive and depart so close in time to one another. I think that it will certainly help the expansion to the ticket area. Great improvements were made to that area a year or two ago and I feel confident that the expansion of the other area will be just as beneficial.

The airport development in Little Cayman is something that I look forward to with keen interest. I realise that it will be a costly exercise, but that is one of the expenses of progress. I look forward to seeing that develop.

The Ministry of Health, Drug Abuse Prevention and Rehabilitation: I would like to congratulate the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation for all that he has accomplished and for all that he has on the drawing board since taking over this Ministry. I realise that it is very difficult and he shoulders much responsibility. I think the strategic planning exercise was extremely wise. The inclusion of the public in these policies will make it much easier to implement in the future, and I honour his judgment in what has taken place.

Health Insurance is an item that I have felt is necessary in these islands from the time I was a child. As the cost of health care increases worldwide it becomes ever more necessary. The generosity of our Government (by providing guarantees for so many of our citizens in time of need) has created a very large contingent liability on the resources of this country. There is no chance of health care costs reducing. With the high cost of malpractice insurance, it will continue to go up and up.

I look forward to the introduction of health insurance. This will take the burden off of Government. It will be shared by employer and employee, and will give a sense of security to all. Fortunately, I have been able to carry health insurance from the

time I was a child, being able to present an insurance ID card when I need health care. That is certainly better than having to worry about where I will find the thousands of dollars necessary for a deposit. This is a step in the right direction.

When the previous Government spoke about the construction of a hospital, I asked that they first attempt to establish health insurance to help pay for the cost of the hospital and take the burden from Government. Unfortunately, the priorities were not arranged that way. Here we are today still having a problem. So I look forward to receiving this Health Insurance Bill, and I certainly hope that it will be at a rate that people of the Cayman Islands can afford to pay because I do not think that any of us can afford to be without it.

The new and improved facilities are progressing well. I know the storage building is nearing completion. This has been a need at the George Town Hospital for many years. I look forward to the other projects as they come forth.

I am also happy that the Government has seen fit to establish the district health clinics. The Nurse Jessie Ritch Memorial Health Centre in Bodden Town, is a credit to that district. I look forward to the other districts getting their own clinics. We are very proud of the health facilities we have in Cayman Brac. We realise that every district needs health care as close to home as possible.

I also note with interest that \$2.4 million will be spent in 1996 for medical equipment for the George Town Hospital. I think there is \$161,000 in the Budget for equipment for the Faith Hospital in Cayman Brac. I hope that all of this will be implemented during the year.

The Mental Health Service is an area the Cayman Islands has always lagged behind in. I realise it is a very costly area of treatment, but it is something that is not going to go away. We have to provide the necessary infrastructure. Just having someone say that a person needs care is not going to do the job. I am thankful that in the Brac we do not have too many people with this problem, but we do not have a facility where those who do have this problem can be comfortably kept. It is a growing need there.

It is my hope that once the rest home in Cayman Brac is operational that the Sister Islands Community Care Association can work out some kind of an arrangement with Government to build a small mental health facility on the property next to Faith Hospital to serve the needs of Cayman Brac and Little Cayman.

What happens so often with the mentally ill is that we healthy people tend to make them worse by telling them that everything they do is wrong, when they feel that everything we do is wrong. They need special treatment. The quicker we can get them into that, the better it will be.

It is my hope that once the new hospital facilities here in George Town with all the diagnostic equipment is operational, we will be able to reduce some of our overseas medical treatment. That is what is so costly. If by having facilities on this island, we can make the necessary diagnoses and not have to send them overseas, then we will have saved a considerable amount of money.

Drug Abuse Prevention and Rehabilitation: The Governor said: **"The need for local drug rehabilitation was reinforced in the Drug Plan. To this end planning approval for the renovation of existing buildings on land owned by Government at Breakers is presently being sought and it is anticipated that this work should be completed around mid-year."** I am glad to see this.

For many, many years, we have toyed with the idea that it was cheaper to send people overseas for rehabilitation. We met with experts from Hazelden and other places and they did not give me that impression. They spoke of a cure rate of less than 20% because of the environment there was different than the environment from whence they came.

What I got from the meetings I had with the experts was that a rehabilitation centre within our own territory was the answer. It was not accepted at that time, but I am glad that it will now be a reality. I feel that this will be money well spent. If we do not rehabilitate these individuals they will be a liability on this Government for as long as they live. If we can spend some money and rehabilitate them, they can go back into society and earn their own way and not be a burden to the country, to say nothing about their standard of living and their life-style returning to what it should be. The country will be a better place.

Cayman Counselling Centre: This too goes hand-in-hand with what I have been saying about rehabilitation. I am glad that the Cayman Islands Marine Institute has been established. I look with interest at how the educational arm of the CIMI functions. Certainly, we want to know that persons in there receive education equal to their ability so that they can achieve academic success. Not only do we want to discipline them, we want to educate them at the same time.

Drug Addiction has taken a high toll of young people in the Cayman Islands, especially here in Grand Cayman. Unfortunately, it is now creeping into the Brac. Cayman Brac has its problems. I am very glad that the Minister for Health has seen fit to establish a counselling centre in Cayman Brac. Already, we can see much good being accomplished there. Many young people who were hooked on alcohol are now going to work on Monday mornings, which is something very unusual.

It goes beyond that because some who were on hard drugs now realise that there is an alternative. The money spent on this will be beneficial and I pledge my support to the Minister to help in any way to make this a success.

It certainly grieves me to see young men and women whom I knew from the time they were born destroying their lives. The sad part is that they do not realise what they are doing.

The Ministry of Education: I have had the opportunity, under the Honourable Minister for Education, to serve on the Education Council. I am presently Chairman of the Sister Islands Education Board for Cayman Brac and Little Cayman. I am very happy to have had the opportunity to work very closely with him. I am most grateful for all of his efforts in improving education throughout the islands. He knows the needs, he is keenly interested and is doing something about it. To me that is what is important - knowing what needs to be done and having the initiative to get it done.

We have a good educational system. We are now installing an inspectorate which will further improve the system. There has been much argument over external examinations, but I think that if we look at the results of the Cayman Brac High School in the CXE Exams last year, we will see that our children can do it. All we have to do is give them the opportunity and provide the tools and teachers to impart the knowledge to them.

He is keenly interested in developing the physical plant of the schools. I speak to him very often of the needs for my district. I feel that is my responsibility. He is sympathetic to our needs. Realising that there are financial

restraints which we all have to be guided by, he has never told me that he would not do something. He is always willing to listen and I deeply appreciate the cooperation I receive from him.

Our schools in Cayman Brac are in good shape. We recently purchased additional land for the playing field in Spot Bay and we are trying to get additional property around the West End Primary School, and we want to build another classroom at Creek. That will pretty well take care of the needs. As we all know, there has been a decrease in population in the Brac, not an increase like you face here in Grand Cayman. Nevertheless, the infrastructure for education is well in place.

I have had numerous discussions with the principal of the Community College. Some local individuals have pledged financial support if we can get a vocational and technical training facility built at the Cayman Brac High School. Initially he suggested that we bring the students from Cayman Brac to the Community College where they have this facility ongoing. But I carefully explained to him that that is what we are trying to prevent. When our people leave Cayman Brac they seldom return. So the important thing is to leave them in that environment and provide them with the tools and skills to make a living on Cayman Brac. He has agreed. With some funding from the private sector and with the Minister's assistance and the assistance of the principal of the Community College, we hope to get the vocational and technical block established at the Cayman Brac High School. It will be supervised by the Community College. That may sound a bit funny, but that is how we have to do it in the Brac.

We are somewhat disappointed that we have not been able to get the Teacher's Centre underway in Cayman Brac. We have presented some alternatives to the Minister and are awaiting a decision from him. We hope that in the near future there will be some development on the Teacher's Centre in Cayman Brac as well as the building of the classroom at the Creek Primary School.

I am encouraged that the Community College is offering an Associate Degree in 15 different areas. This will be a terrific asset to many of our young people. Many of our school leavers are too young to get scholarships. Some have to wait around for a couple of years or so before they can go on to college in North America or the United Kingdom, wherever they go.

If they can attend the Community College and work towards an Associate Degree, the first two years will be accepted by an institution overseas. They will be two years ahead in their education and will have been able to remain at home. I think it will be beneficial to the young student in that his opportunity to earn a living will come earlier and he will have parental supervision longer by remaining at home. I look forward to its introduction.

The Governor also said; **"The Education Council will be revising its guidelines for scholarships to take into consideration the Guaranteed Student Loan Scheme, and the new offerings at the Community College. Additional support and advice for students intending to study overseas will be offered through annual seminars delivered during February and March..."** This is now ongoing.

I think this is very important because many of our young students do not have any idea what it means to attend college. I think these seminars will acquaint them with how to prepare their schedules and introduce them to the different

life-style at the University or College. This will prepare them to attend the institution and enable them to study. As I said before, if they avail themselves of the opportunity of the Associate Degree from the Community College, they will be two years older and more mature.

MOMENT OF INTERRUPTION - 4.30 PM Standing Order 10(2)

The Speaker: It is now 4.30. May I ask for a motion for the adjournment?

The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

ADJOURNMENT

Hon. John B. McLean: I move the adjournment of this Honourable House until 10.00 tomorrow morning.

The Speaker: The question is that this Honourable House do now adjourn until 10 o'clock tomorrow morning. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until tomorrow morning at 10 o'clock.

AT 4.30 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM THURSDAY, 7TH MARCH, 1996.

**EDITED
THURSDAY
7TH MARCH, 1996
10.12 AM**

The Speaker: I will ask the Fourth Elected Member for West Bay to say prayers.

PRAYERS

Mr. D. Dalmain 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 II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated. Proceedings are resumed. Questions to Honourable Members/Ministers. Question No. 38. The Second Elected Member for Cayman Brac and Little Cayman.

QUESTIONS TO HONOURABLE MEMBERS/MINISTERS

DEFERRED QUESTION NO.38

No. 38: Mr. Gilbert A. McLean asked The Honourable Minister responsible for Education and Planning whether Government still allows onshore mining of marl and, if so, what are the requirements to be met.

The Speaker: The Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: Thank you, Madam Speaker. Yes. While there is not a standardised set of requirements to be met, the Central Planning Authority considers a number of factors, such as, but not limited to:

- existing and potential future use of the surrounding land;

- access to the site;
- hydrological considerations;
- ecological factors;
- proposed use for the site post-excavation and;
- input from other Government Departments.

SUPPLEMENTARIES

The Speaker: Third Elected Member for George Town.

Mrs. Bema L. Thompson Murphy: Thank you, Madam Speaker. Could the Honourable Minister say if there are any royalties due Government and, if so, when did this come into the regulations?

The Speaker: The Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: Quite a long time back. There is an application fee which relates to the potential number of cubic yards. I think that is set at 15 cents per cubic yard, or \$750 plus a fee calculated at the rate of 10 cents in respect of each cubic yard to be excavated, whichever amount is the lesser. It came in under not the last Government, but the previous one, 4th July . . . I am sorry, this is the revision. Somewhere in 1991. I am sorry, what I have here is the revision. I do not have the exact time.

However, I should say this, to have to pay the equivalent of a royalty for an application when they may not excavate that marl, I find that very harsh. Perhaps it needs looking at because it looks like this is payable on the application whether they dig the marl or not. It does not seem to be a very fair way of doing this.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Honourable Minister say if the Government has received any applications in recent times for the mining of marl on the island?

The Speaker: The Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: One application, Madam Speaker.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Is Government looking at land mining of marl as an alternative means of acquiring marl material versus having it dredged, or are any studies being done in this direction?

The Speaker: The Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, I only have responsibility for the Central Planning Authority. All I can say is that applications are looked at when they come in. I would not like to give an opinion beyond that.

The Speaker: The next question is No. 49, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 49

No. 49: Mr. Roy Bodden asked the Honourable Second Official Member responsible for Legal Administration if any criminal charges will be laid as a result of the investigation into the allegation of insurance fraud as reported in the *Caymanian Compass* of 15th August, 1995.

The Speaker: The Honourable Second Official Member responsible for Legal Administration.

Hon. Richard H. Coles: Thank you, Madam Speaker.

The report of 15th August, 1995, referred to allegations that certain companies in the Cayman Islands had placed their property insurance through overseas insurers who had failed to insure those properties adequately or at all. No criminal offences have been disclosed in the Cayman Islands and no criminal charges have been laid there. Investigations have commenced in New Hampshire, United States of America, and may provoke further investigations in Cayman.

SUPPLEMENTARY

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Member say if arising out of the investigations are any recommendations which could serve to strengthen the practise and educate consumers so that this kind of occurrence would be alleviated in the future?

The Speaker: The Honourable Second Official Member responsible for Legal Administration.

Hon. Richard H. Coles: I am dealing with this question on the matter of criminal responsibility. The regulating of the insurance industry falls under the Honourable Third Official Member. To my knowledge there have been no recommendations for any changes as far as the regulation of insurers is concerned. But I think that it is true to say that the Financial Secretary is considering whether any advice should be given in respect of this type of insurance in the future. But I do not think there are any recommendations as such.

The Speaker: That concludes Question Time for today.
Government Business. The First Elected Member for Cayman Brac and Little Cayman continuing his debate on the Throne Speech.

GOVERNMENT BUSINESS

DEBATE ON THE THRONE SPEECH DELIVERED BY HIS EXCELLENCY MR. JOHN W. OWEN, MBE, GOV-

ERNOR OF THE CAYMAN ISLANDS, ON FRIDAY, 16TH FEBRUARY, 1996

(Continuation of debate thereon)

Capt. Mabry S. Kirkconnell: Thank you, Madam Speaker. When we took the adjournment yesterday afternoon, I was discussing the Education Council under the Ministry of Education and Planning. The Education Council plays a very important function in regulating policy for our education system in both islands. It also interviews scholarship applicants. I think that with the benefit of the financial assistance being offered by Government we are able to do much needed funding of scholarships. It is a known fact that tertiary education cost is on the increase worldwide and we are carefully looking at the amounts given for scholarships in the past.

The Education Council is also considering the heavy work load that many students are required to carry to complete their Bachelor Degree within a four-year period. It has now looked favourably at funding the cost of one summer session, which I think has been a good step, because forcing a student to carry a load beyond is their ability only causes a low grade point average and often frustrates the young student and causes him to fall behind, and many drop out.

It is important for the Education Council (under the able leadership of the Minister for Education and the Permanent Secretary) to keep this in mind as we look forward to a better educated community. As these young people become qualified we will be able to achieve greater success in the private sector and in the Civil Service. We hear much about upward mobility, and in order for them to compete with expats holding degrees, they need to be equipped with that tool also.

I feel that, although often times decisions do not meet the approval of everybody, every decision taken, is taken with the best interest of education and the student's benefit in mind.

I will now move on to Planning. The Cayman Islands being a young country needs close scrutiny by Planning. The Planning Department serves a very important part of our development. Unless we control our development and it is done in a proper manner, we could have a very disastrous situation in the years to come. We have heard much about the consequences of dredging in this House during this meeting of the Legislative Assembly, both in the North Sound and in mining on land.

The Central Planning Authority having control of development and the granting of permission to develop on Grand Cayman and the Development Control Board, which controls development in Cayman Brac and Little Cayman, are two very important statutory boards and they are both doing a good job.

I would like to speak on the need for additional space for the Development Control Board and the Planning Assistant stationed on Cayman Brac. Yesterday I stated that the need for additional space in the Government Administration Building in Cayman Brac is crucial. The Planning Assistant has to use a conference room in Cayman Brac as he has no other office space assigned for Planning. It is my hope that the need for space for this important department and others will be addressed.

Cayman Airways: This is a very important part of the Cayman Islands' infrastructural development. I think we must realise that it is the connecting link between and within the Cayman Islands. I think that those of us living away from Grand Cayman appreciate Cayman Airways even more than those on Grand Cayman because they can go to the airport here and choose from many international carriers. They all have schedules around the same time and they do not have to wait. Cayman Airways is the only choice for international travel from the Brac and Little Cayman. Thanks to Island Air we do have that service, but that has been done with the blessing of Cayman Airways and it is absolutely necessary for the inter-island connection.

I am proud when I fly Cayman Airways and see that most of the crew in the cockpit are very competent Caymanians. I feel very safe flying under their command. It is gratifying that as we approach this election we will not have to be bombarded with Cayman Airways as the political football. It is now stabilised and I am very grateful to the Hon. Minister for Education and Planning for his leadership, to the Board of Directors of Cayman Airways and to the staff for they are a dedicated group of individuals doing a good job.

I now move on to the Department of Agriculture. I have had the opportunity of seeing agriculture develop in Grand Cayman over a long period of time - long before I became involved in politics. I served these islands before air service on a little freight and passenger vessel bringing foodstuff and passengers between the three islands, between Jamaica/Cayman Islands and Tampa/Cayman Islands. It is hard for me to realise how much and how fast these islands have developed.

Often we are an ungrateful people; we speak of this and that which should have been done. Unfortunately, it is said that hindsight is 20/20, but I am grateful to those who have come before us and who made a foundation and preserved Parliamentary Democracy so that I can stand here today and say what I feel.

The Minister for Agriculture, being a farmer at heart and for most of his adult life, is very qualified to head this Ministry. As I go over the islands and see the farms, the different fruits, I am very grateful that we are taking preventive measures in halting the importation of products that might bring damaging insects and other things that would damage our products which are grown here in the Cayman Islands.

The Agricultural Show is certainly a credit. It is something that we can all be proud of and it shows us that with some hard work and determination, products and farm animals of the highest quality can be produced here in the Cayman Islands.

I look forward to attending the Agricultural Show whenever I can because it certainly makes it obvious that we are progressing. I would like to call upon the people of Cayman Brac to give serious consideration to the establishment of a mini-Agricultural Show on Ash Wednesday. Having a much smaller population and not being blessed with arable land of the quality of Grand Cayman, it would be nowhere near the show that you have here, but at least it would show that we are making progress. I know that this year there were yams and other products at the show which were grown in Cayman Brac. If they can make the show in Grand Cayman, they certainly could be shown in Cayman Brac as well. I would like to plant that seed in the people's minds and see if next year we could put something together.

Land and Survey: Had this Department not been established and Cadastral Survey been carried out many years ago, I do not think we would have seen the development that we are seeing today. It is really interesting and educational to go into the Lands and Survey Department and see the modern equipment that they have available today. Much progress has been made and I congratulate that department.

Also, in the telecommunication, the introduction of the 9-1-1 Emergency number will certainly be a great step forward here in Grand Cayman. Often I watch a programme on television which shows the benefit of such a service. Very often you call one number and still have to call another; but this will be a number that will get you the kind of service you need.

I note with interest the construction of the new Telecommunication Tower on the Brac. I am told that once that is completed it will improve the Government's telecommunication system and make it more operable with Grand Cayman. I am asking again that consideration be given to installing the tower which is being removed in Cayman Brac in Little Cayman which would put that island in the main telecommunication system.

The Post Office: Vast improvements have been made in our Post Office. We all admit that additional space is needed, but, certainly, we can see great strides being made during the present Minister's term in office. From the time I came into this House, building a new post office and expansion has been talked about, but many obstacles have been in the way - one mostly being financial constraints. I feel that if we can wait a little longer that too will become very modern.

The Department of the Environment: I think the passing of the Marine Conservation Laws was a very bold step. It was not popular at the time it was passed. Much opposition was voiced against it. But I think that anyone who will speak their mind fairly will say that it has certainly been a great advancement in the development of our Marine Park system.

Thirty years ago the Mosquito Research and Control unit was put into operation and anyone who is old enough to remember beyond that period knows how necessary it is, and how much our life-style has been transformed by the introduction and continued development of the Mosquito Research and Control Unit.

I am glad to see that there will be events scheduled to commemorate the anniversary of these important milestones. I note again with interest that property for the sanitary landfill on Cayman Brac will be purchased. The sanitary landfill will be re-located, I am told, to the Bluff from out of a wetland area where it has been for many years. I look forward to seeing this become a reality.

We also have in place a controlled separation of toxic waste. We now have some place to dispose of old batteries which contain a considerable amount of lead. We all hear of the harmful effects lead poisoning can cause to our health. So it is my hope that regular shipments of these used batteries and other items which cannot be disposed of in a sanitary landfill in Cayman Brac will be transported here where they can actually be disposed of in a proper manner with the facilities that you have here in Grand Cayman.

I now wish to briefly speak on the Public Works Department. The Public Works Department has much respon-

sibility in the construction and maintenance of roads, buildings, etc. I would like to see things done faster from time to time, and maybe my idea of how it should be done is different, but I am not charged with the responsibility for that and I do not have the expertise. Therefore, I am grateful that we are seeing road improvements with safety aspects in mind and the maintenance of our buildings is far improved over what it was in past decades. Construction costs are extremely high. So, if they can be maintained and not have to be replaced after a short life, the country will be much better off.

The Public Works Department has a major task. While I am speaking on that, the Honourable Minister spoke about a national road plan in answer to a Parliamentary Question a few days ago. I would like to see something similar to this looked into in Cayman Brac and Little Cayman. I think just seeking a certain amount of money to provide employment each year for our people is a must. But it is possibly not getting the very best results. I am as guilty as anyone else of standing here and pleading the cause of my people, how we need employment because the private sector cannot employ them, but I really feel that if we sat down and decided where roads would be built on the bluff and what road improvements would be made over the next 10 to 15 years on the two islands, we would have some idea of how we could seek financing to do it and not keep looking each year for enough money just to create employment.

During my lifetime I would like to see Cayman Brac and Little Cayman get more in the mainstream of development because unless we do more to bring it into the mainstream, it is a dying society.

The Ministry of Community Development, Sports, Women's and Youth Affairs and Culture: This Ministry has great responsibility. It must look after the social needs of our people. I think great strides have been made in providing financial assistance to many of our people. I could talk for days on what is being accomplished, and on what I would like to see. I would like to congratulate the Hon. Minister, for he has certainly gone out of his way to make this a full time active Ministry.

The Social Services Department has a big task and I support his decision to take some of their responsibilities - if he knows they can be handled more efficiently at that level. They have to be looking constantly at what the poor, less fortunate people need and evaluate through means tests and whatever else is necessary, and the financial assistance, and what have you... but there is so much more to that than they can be expected to accomplish, even in Cayman Brac and Little Cayman.

I have supported him in the introduction of the church sponsored youth programmes, the after school programmes, which I see serving a great need. I think they will have great beneficial social effects within both islands as so many young children, because their parents both have to work, do not have supervision after school. I visit these after school programmes frequently, and I see the benefit. I talk with the children, though many of them are very young, and they are all enjoying it. They have a purpose and some place to go when they leave school.

We are looking at the National Pension Law and I look forward to discussing this at length and the implementation of a pension plan. Had a plan been established when the financial centre came into existence, the senior citizens

of today would have security. Unfortunately, it was not looked after. There is nothing we can do today except try to start it now.

We must all realise that someone over 45 years of age will not be able to benefit directly from a pension plan because they will not have contributed enough at their normal retirement age. So the quicker we can get this established, the better it will be for the future welfare of the people of the Cayman Islands.

I have had many discussions with the Minister regarding sports development. I was involved in sports during my college and high school years. I know the benefit, and I am very supportive of what is being done. We must all realise that nothing can be done without money. What costs a certain amount today will cost more next year. Putting it off is not going to make it cheaper, it is just going to deprive the people of these islands of these facilities, and cost the Treasury more money if it is delayed.

I feel that the physical education and sports curriculum within our schools has helped immensely, but without facilities on which to participate and further excel we will never go anywhere. The establishment of a sports complex here in George Town and in West Bay and plans for other districts is worthwhile and I support them.

I could not stand in this House and not talk on the Housing Development Programme that has been installed with a Government guarantee. I have seen the benefit to people who have been wanting to build their own home for many years. Many of them do not particularly want to spend a lot of money on a home, but construction costs are extremely high and it takes a lot of money to complete a home. Over many years the financial institutions have not been prepared to loan sufficient money based on the salary that most of these people earn. With the Government guarantee of 35%, many young people have been able to get homes. I have checked on several in my district and they are making their payments and enjoying their homes.

Also, the availability of funds on the Student Loan Programme which is guaranteed by Government is now enabling many of our students who were not able to get scholarships to borrow money at a reasonable rate. With the Government guarantee, the banks are prepared to lend money over the duration of their studies. This too will help to further the educational uplifting of our people.

It is my understanding that the Ministry is also examining an affordable housing system for people of a lower income bracket than what is being handled by the Government Guaranteed Housing Scheme. The mortgage payments are hoped to be between \$300 and \$400 per month. This is an amount that I think most of the people who need homes (with both members of the family working) will be able to handle without too much problem. Certainly, it will help to improve living conditions within the three islands.

The Water Authority has done much to contribute to the health of our people. We had the Water Company here in Grand Cayman for many years but I do not think that private company was prepared to expend the quantity of money necessary to make potable water available to the entire island as the Government has done through the Water Authority. It is money invested in the health and welfare of our people. Hopefully, as time goes on it will be an investment for the Treasury of this country.

In Cayman Brac we recently saw the improvement in the quality of water. It is my understanding that the Government now owns the reverse osmosis plant and is operating it under the Water Authority and that the quality is much improved. This is much appreciated. We still have a very limited piped water system, and I would ask if something can be done to gradually (on an annual basis) increase the piped water system which would increase the sale of water and reduce the expenditure. If the Cayman Brac facility were under the Water Authority it would be a great help to the people of Cayman Brac, and would also eliminate the expenditure to Government over a period of time.

Before leaving that Ministry, I would like to congratulate the Government on the introduction of the veterans' benefits. Over many years I have seen the need for this. We are a small country, but we had many people who risked their lives - some making the supreme sacrifice leaving widowed spouses who in some instances need financial assistance. I feel with the Government being in a financial position to fund it, it is a good gesture and I congratulate the Government because every previous Government had the opportunity to bring it forward, but did not. So the Government of the day must get credit for the veterans' pensions.

I have had many people in my district ask that I convey on their behalf to Government their great appreciation for the benefits they are receiving and to wish God's richest blessing to all who made it possible.

District Administration: I shall try to be as brief as possible. I, like His Excellency the Governor, am concerned about the imbalance between the level of economic activity on Cayman Brac and Little Cayman as compared with that on Grand Cayman. I am grateful that His Excellency saw fit to bring the Executive Council to Cayman Brac for the first time in 25 years. I am encouraged that he says there will be other meetings during 1996.

We realise that we cannot force an investor to invest his money where we want him to; he will invest where there is the most return on his money. I feel that with further infrastructural development on the Brac we can be better prepared to meet the investors' needs.

Cayman Brac has a unique characteristic in the Cayman Islands inasmuch as it has the bluff, which is a limestone rock running the full length of this island like a wedge from the sea level at the western end to some 140 ft. elevation at the eastern end. This has the ability to attract cable cars, rock climbers, and there are many things which could be developed through the characteristics of the bluff which cannot be done in Grand Cayman, nor in Little Cayman. I feel that if this national road plan were to incorporate Cayman Brac and Little Cayman it would show where the roads would go and it could be further developed to provide infrastructural needs for investors.

There are large tracks of land on the bluff which could be used for hotels or what have you, but you have to show the people how they can get a return on their money before they are going to invest it.

Much has been said about trying to turn the economy of Cayman Brac around. But I honestly feel that we must look to take on projects which we can control. It is my belief that if the national airline would seriously consider the establishment of a departure at 6.00 PM on Friday to the Brac, and I realise that this would delay the Jamaica flight by about one hour, but if this were done, it would enable many

people living on Grand Cayman (both of Cayman Brac origin and others) to visit the Brac for the weekend. This would create a boost to the economy. It would not be that costly to the airline as it is my belief that the additional passengers would pay for the trip.

We find that the Saturday afternoon flight has helped. I know it is a contention of management within Cayman Airways that the flight goes to Miami without a full load. For most of my life I have been involved with transportation. Very often we had to go from Trinidad to Puerto Cortes Honduras with an empty ship in order to reposition ourselves for a load of lumber for Jamaica. That is what is happening to our national airline. It has to get the aircraft to Miami for the night flight. Whether it flies empty or full it cannot meet its schedule in Miami unless the plane returns to Miami. So the actual charge of not having a full load cannot be placed on the inter-island service. It is a matter of repositioning the aircraft, and that is a must. If we check the records here, many of the flights returning to position the aircraft at any of the gateways are not payable. I feel that we must concentrate on our domestic tourism. We see a great benefit from the people of Grand Cayman coming to the Brac. They seem to enjoy themselves, they spend quite freely. Some have bought land and built homes. We have sort of a captive audience that we could actually cash in on immediately. We would not have to do a lot of promotion; we just have to put the flight in space. But when someone has to wait at the airport... sometimes I arrive home on Friday after midnight (at 12.15 or 12.30 AM). That is not conducive to someone's spending an enjoyable weekend. They will not travel at that late hour.

I realise that this would still necessitate the last flight on Friday night as it is imperative to have the aircraft in place for the Saturday morning departure which averages well over 100 persons. I ask that consideration be given to this as it certainly, in my opinion, could be one of the cheapest things that the Government could do to help improve our economy.

I also ask that every effort be made to assist us in getting the rest home operational. It is my understanding that the money is available. The need is there. There are many people, some who can help to pay their own way, other who will have to be helped. But in addition to providing the care that is so desperately needed by the people of those two islands, it will create some 14 additional jobs. Fourteen jobs in a small work force like we have in Cayman Brac, is a big item. We do not need millions of dollars to turn our economy around. We need to start small and grow.

I am encouraged that the Ministry of Tourism is pursuing the possibility of sinking a ship for a dive site off Cayman Brac. I feel that this is going to be extremely beneficial once it has been inhabited by marine life. It will be a great attraction.

We have found that tourism in Cayman Brac has reduced since larger facilities have been built on Grand Cayman. The main attraction has been Bloody Bay wall. Cayman Brac desperately needs some new attraction to bring tourists back to Cayman Brac.

Some private individuals have put forth the idea of creating a marina in the pond adjacent to the airport runway at the western end of Cayman Brac. This would have very beneficial effects. It would provide fill for infrastructural needs. It would provide a safe harbour for boats and elimi-

nate some of the unpleasant odours emanating from those wetland areas. It would also create construction development. I do not believe that a channel dredged on the western end of the island with proper breakwaters on each side would be detrimental. I do not have the expertise to say this, but seeing how protected the western end of Grand Cayman is (except in nor'westers), I believe that the western end of Cayman Brac would be the proper place for an inlet channel.

We also have a problem at Saltwater Pond and Fence Pond which could be drained through this same project which would solve the unpleasant situation there.

While in Cayman Brac, His Excellency the Governor spoke on the possibility of Government locating some of its services on Cayman Brac. I have not had the opportunity to discuss this further with him, but any job that could be created on Cayman Brac would certainly be very beneficial. As I said before, we have a small population, and small numbers add up.

The people of Cayman Brac are proud people. We believe in self help. We do not want to beg. But we do not want to see what we have called home all of our lives further deteriorate. As the older people pass away, we go down and down. It is my understanding that there are slightly over 1,000 people now living on Cayman Brac. I can remember when there were over 2,000. When the last census was taken it was 1,600. This certainly shows that we are on the downward track. The cost of living is high. People cannot live if they do not earn; if we do not have employment on that island they have to leave. Right now, as students graduate from high school it is almost like giving them a one-way ticket because they have to go somewhere else (either Grand Cayman or further afield) to further their education and seek employment. If they do qualify, there are no jobs available on the Brac. They can only return to visit.

We cannot continue in this state. We cannot do it alone. We are appreciative for all that the present Government has done. I do not wish to be misunderstood; we have had excellent support from the elected Executive Council over their term of office. We had the support of the previous Governments in financial assistance. Unfortunately, as Government has other expenditures, we realise that sooner or later this money will have to be reduced and we want to be in a position to where we can earn our own way.

I would also like to suggest that a sports complex on the Brac would encourage domestic tourism. If we had facilities for soccer, cricket, basketball and other sports, practise games could be held in the Brac which would bring the teams, their coaches and supporters to the Brac. These people might enjoy themselves and then return. That would enable the use of the island to excel its talent and be better prepared. While the sports complex is being constructed it would provide employment. All in all, we would reap benefits from the day it commences. It would not just be during the construction, but the life of the whole community would be invigorated by the introduction of sporting facilities within the Brac.

Very often groups want to come to the Brac, but there is no place for them to play. The Cayman Brac Cricket Team did exceptionally well last year, but all games had to be played in Grand Cayman. If there were facilities there, this would help us to get on with the development we so badly need.

As I come to my conclusion, I want to say that I am not a spreader of doom and gloom, but I do feel that it is my responsibility as a representative of my people to plead their cause in this hallowed hail.

With the private sector and Government working together, as His Excellency said, is the only way we can look forward to bettering our position. The Governor said: "**The responsibilities of success do not only rest on the shoulders of government. We all have responsibilities. Twenty years ago a visitor wrote that these islands had 'a continuous tradition of forthright sturdy individualism together with habits of self discipline and self reliance born of sea faring.'** The history of the islands is full of stories that reflect the independent nature of the people of Cayman. These were people who were strong and self reliant - and proud of it." I stand here today proud of the people of the Cayman Islands and with the help of all, we can make the Sister Islands the success they need to be, that they deserve to be and with God's help we shall prevail.

In conclusion, Madam Speaker, I thank you for your indulgence, and I thank honourable Members for listening. Finally, I would like to close with words from the Throne Speech, where His Excellency said: "**I wish you God's Blessing in your deliberations and debates. And I pray that Almighty God in his mercy and wisdom will continue to bless and guide the people of these Islands and all who serve them.**"

Thank you, Madam Speaker, and God bless the Cayman Islands.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.20 AM

PROCEEDINGS RESUMED AT 11.52 AM

The Speaker: Please be seated. Debate continues on the Throne Speech. The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Thank you, Madam Speaker.

It is an honour and privilege for me to make my contribution to this Throne Speech, delivered by His Excellency the Governor, Mr. Owen. I would like to welcome Mr. Owen. I think he did an excellent job on his first Throne Speech. As we have seen him develop and administer this Government, I think these islands can be proud of what they have seen so far.

In his introductory remarks, he touched on some key and relevant points. I would like to briefly reinforce some of those. It is something that behooves all of us to remember, that is: "**The responsibilities of success do not only rest on the shoulders of government. We all have responsibilities.**"

The time has passed when we as citizens of this country can continuously look to our neighbour to put into place the infrastructure needed to make us grow and continue in the enviable position which we are now in. This cannot be accomplished unless we put our hearts and souls into it. "**In a nation state, government has a duty to the citizens. It has a duty to provide the services to maintain law and order, ensure care for all and offer education**

and training for the people. Teachers, nurses, police officers and other civil servants provide the services for the community." Too often we, as families and as parents and as adults, expect the unexpected from these providers. It is like sending our children to school and we expect the teachers to be there to baby-sit and do every little thing. It comes to a stage where the child needs correcting and we as parents are not there to give support to the teachers. The first thing we do is head for the Principal and try to seek revenge against them. We must, if we want to continue the stability we have in this country, enforce the discipline that is necessary at the school level. It must not start at the high school, middle school or primary school, we must accept that responsibility beginning at home with our own children.

The Police Force: I must say that since the arrival of our new Police Commissioner, Mr. Grey, a great job is being done. There is good leadership, good programmes are being put forward and this is a new and exciting approach which we have not been used to for a long time. The district presence of police officers is very important. It was a good idea as it gives a sense of safety and satisfaction to our people when we see the police in our midst. We know that if anything develops they are there to assist us.

We must continue to encourage our own Caymanians in this field. I think a great step has been taken toward that end when we agreed to bring certain areas of the police force up to a respectable standard of pay. This is the commitment of this Government and wherever possible we will continue to encourage and assist these people who we depend upon so much in this country.

The Royal Cayman Islands Police will strive to improve and develop community relations in order to enhance public confidence. A school liaison programme will be introduced in 1996. This is also a great idea. Having the police go into the schools makes the students realise from an early age the importance of law enforcement and having to obey and listen to corrections which may be made by senior persons.

I saw in the paper recently where they will be coming to my district of Bodden Town on the 2nd of April to share some of their ideas. I welcome this opportunity and I urge the people of Bodden Town to come out, get involved and listen to the ideas being put forward by the police.

The Prison Department continues to develop. It is pleasing to see that a sentence planning programme for each prisoner will start shortly. This is aimed at improving their chances for a more positive future upon release, the objective being that all inmates will be given meaningful work. This is another sensible approach. It is very difficult for these inmates to come back into the real world if there is no preparation done for them. This is a good step forward.

Counselling (including drug counselling) will continue on a larger scale at the prison. I am proud of my Ministry's involvement in this, but I must say that we need more support in this area as on occasion we have drug abuse within the prison system. We must come to grips with this problem of drugs being available in the prison. There is no use in providing counselling if they are so stoned that they cannot comprehend what the counsellors are trying to help them overcome.

Recently, in the United Kingdom mandatory drug testing was advocated. It took a while for this to start over

there, but I think that down the line this is something that we should consider here in the Cayman Islands.

In a report called 'Tackling Drugs Together', it was said that: "...the Criminal Justice and Public Order Act of 1994 introduced powers for prison officers to require prisoners to provide a sample of urine for drug testing purposes. The new rule is to be policed by a wide spread drug testing programme and acts both as a deterrent to those who wish to misuse drugs within prison and as a means of identifying those who may need assistance. Mandatory drug testing is one of a series of measures that will help to deter drug taking and enable prison managers to detect the prevalence of use in their establishments. Simultaneously, the Government is committed to providing cost effective treatment and rehabilitation services to drug misusers in prison as well as outside."

It was interesting to note in a recent issue of the *Caymanian Compass*, which carried an article entitled, "China winning anti-drug fight", that, "In Beijing [where the story originated] it was said: 'China has made progress in the past five years in combating illicit drug use and trafficking an official report said. Some 5,349 have been sentenced to death or life in prison in connection with some 125,000 drug-related cases between 1991 and September 1995', the newspaper *People's Daily*, reported."

This may seem to be a harsh approach, which I do not advocate this for the casual user. But we must put our foot down when it comes to the dealers, and send a message that we will no longer tolerate the ruination of this country by these people infesting our youngsters with this deadly drug.

It was a pleasure for me to accompany my colleagues to Cayman Brac earlier this year when we visited that island and, for the first time in 25 years, held a meeting of Executive Council. The next day we had an open meeting with the people of Cayman Brac and it was interesting to hear the many ideas they put forward. There is no doubt in my mind that the people of Cayman Brac, the industrious and resourceful people that they are, will bring that island back. We will need to give support, but once they know that we will give it, they will find a way to get it done. I look forward to working with them, along with the rest of this Government.

While we were over there, we visited Little Cayman and I am a bit perturbed about the fast development of that little island, and I hope that the necessary required standards will be put in place so that we do not have second and third class housing that, if we have a serious hurricane, will be wiped out.

The next subject I would like to touch on (as most people preceding me did) is the elections. It was a very significant election held on the 5th December last year. It resulted in the election of the Third Elected Member for Bodden Town, and as many people have said to me, who has brought a breath of fresh air to politics and to our district of Bodden Town.

Members of the Opposition have talked about the involvement of civil servants. But I stand here to say that we are blessed with the quality of civil servants we have. I would venture to say that they are the best trained, and probably the most dedicated Civil Service in the world, and they must not be denied their democratic right of expression. They know capable and competent representation when they see

it. Freedom of expression so frequently touted by the Members of the Opposition must be upheld.

These very hard-working and dedicated Civil Servants work tirelessly on community projects day and night and in their spare time. I know this as a matter of fact. It has come to the stage where the public expects them to go above and beyond the call of duty: yet, some people will stoop as low as to complain to the Chief Secretary to deprive our dedicated civil servants of their democratic right of expression which probably prompted a circular last year from the Hon. Chief Secretary's office.

For the record of this Honourable House and for the public to know to what extent civil servants can be involved, I would like to read into the record and then table this circular, with your permission, Madam Speaker.

It is dated 25th October, and the subject was: Political Activities of Civil Servants: **"The attention of all Civil Servants is drawn to the General Orders Chapter 9 - Conduct of Officers, (paragraph 11 and 17), which deals with political activities at all times, but particularly during an Election period. It follows from the above that officers should not:- (a) be actively involved in a candidate's public meetings by speaking, being on the platform, distributing literature, or other activity that promotes a particular candidate, or slate of candidates; (b) write letters to the press supporting a particular candidate, or giving views on political matters; (c) canvass or collect funds in support of a political candidate; (d) hold office in or take part in the management of any political organisation; (e) place bumper stickers on personal vehicles supporting a particular candidate or group of candidates; (f) support candidates by radio broadcasts."**

You should also refrain from responding to "side-walk surveys giving your views to reporters on candidates or political issues." He did go on to urge the people of the district to get involved and exercise their democratic right of expression and to vote.

In closing on this subject, all I have to say is that if these would-be leaders were doing the right thing, they would not have to worry about how the Civil Service or the rest of this country voted. It has been said that it was a paint can election. But I certainly hope that in this next election it will not be another rum and coke election either.

Going on to the Portfolio of Finance and Development. The continued outstanding performance of the Customs Department which leads the way in revenue contribution..., we must continue to give these officers within the Customs Department tremendous support and more assistance. We must continue to provide them with the canine unit. This unit saves them a lot of work and it is easily done with the canine unit. I urge legislators to support any requisitions that may be brought forward from this department.

Moving on to Tourism (which I do not have to say too much on) how can we argue with success? We know this degree of success was not totally dependant on the Government which was in place in 1992. As a matter of fact there was little growth when we took over in 1992. Since then we have grown from strength to strength. In the last figures released, we were approaching 14% for the first month of the year. I know that the approach being used by this Honourable Minister to develop Tourism for this country is not necessarily based on the arrival numbers. For those of us who had the opportunity to attend the meetings held by the Implementing Team know that this was not one of the

areas emphasised. One of them said that instead of bringing in 20 people to spend a certain amount of money, we could bring in half that amount who were of a higher quality and in a better financial position. This is the areas we are looking at and developing without putting too much more burden on the infrastructure of this country.

Many questions have been asked in regard to the duty paid by the new Westin Hotel. If we remember in those days when construction was at a stand still, this Government, led by the Honourable Minister for Tourism, approached that company and encouraged them to come here. Yes, we sacrificed a few dollars in collected duty, but what did the building of that hotel trigger in these islands? What has been the result? It has triggered the largest construction boom we have ever seen in the history of these islands. That is what has happened. It was a sacrifice, but it was something that we needed to get this country moving again. Many of us will remember the extremely slow pace of things in 1992.

I now move to my Ministry of Health Drug Abuse Prevention and Rehabilitation. As this House (and most of the public) knows in December (1995) we tabled the Health Insurance Bill, relating to the provision of Health Insurance. We have been sharing the ideas of this law with the public. I have addressed the Chamber of Commerce, the Life Underwriters Association and the Cayman Merchants Association. The support is basically there and many of them said that we must go forward and bring it as quickly as possible. My philosophy is that we must look at this carefully and get complete input from the public to get what is best for these islands. I will afford the public every opportunity to give their input on the plan.

There was a letter in the paper a few weeks ago talking about Caymanians having to pay up to 20% of the bill. This has not yet been put into law, but the professionals and those of us who deal with insurance know that if something is not put in place the premiums will absolutely skyrocket when someone wants an aspirin or a Panadol and it has to be charged back to the insurance company. Just the administrative paper work alone would be humongous. This is the reason for putting this forward.

Most of us who are presently covered by insurance will see that we are required to pay a certain percentage before the insurance payments kick in. I am amazed to still be hearing about the cost of the hospital in this Honourable House. I do not know what I need to do to make the cost clearer. With your permission, I would like to read from a pamphlet which I circulated last year in regards to the 'Cayman Islands Health Services Complex; YOUR NEW HOSPITAL - THE FACTS' In this very same letter which spoke about the health insurance, the person writing the letter said it was going to be a \$16 million hospital. For the record, I would like to read what I put out to the public regarding this... and this has not been challenged by anyone. If it was not so, I am sure that Mr. Miller and his supporters would have had something in the paper.

I stated: **"You have to add on to the \$16 million hospital another \$1,245,693 for professional fees, plus another \$10,631,000 which was the cost under the 1992 Master Plan to fix up the George Town Hospital total care of facilities which the Dr. Hortor lacked. That is a total of \$27,876,693 for the two sites."**

This Government's hospital will be on one central and easily accessible site. I can assure this Honourable House that the total cost of the new hospital will still be below the \$27 million that was the total put forward by Mr. Ezzard Miller back in 1992, despite inflation in the cost of doing business over the last four years which, by today's figures, would probably be up to \$30 million.

I am happy to say that on the 15th of this month the Central Tenders Committee will award a contract for this Hospital and within days actual work will continue - because since this Ministry took over in 1994 we have built the Sewerage Plant, the Materials Management Plant which will be handed over at the end of March.

They talked about a 10,000 square foot warehouse, that was not my idea put forward, this is what has been put forward by the people who work in our Health Services. This is what they felt we needed. Also put forward was that in the event of a serious catastrophe we would have space to take care of people. It is a well built building and it will house all of our medicine and supplies without our having to truck two or three miles up. In the event of a serious hurricane we will have easy access to desperately needed medication. This is one of the reasons why this Materials Management Building has been built. Not only that, it will save this Government's coffers approximately \$60,000 a year which has been paid in rent for someone else's building.

People ask why we are spending this amount of money on health services. I would like to share some statistics from Pan American Health Organisation and World Health Organisation with this Honourable House on America's Health Statistics. In this report it is said: "**The Cayman Islands' Gross National Product per capita was \$26,200.**" We actually have the highest per capita income in all of the Americas. But total health expenditure as a percentage of the Gross Domestic Product we rank 38th of the 48 countries in the Americas in the amount of GDP that we spend on health services. Is it any wonder that this country now finds itself in the crisis we are now experiencing? We must accept the responsibility because without proper spending on health we cannot develop a healthy nation.

Just last week the people from CAREC were here sharing the importance of development of better health care for the entire Caribbean with our financial industry.

Earlier in this sitting, a question was asked with regard to AIDS and if an individual deliberately infected another person. My extremely dedicated staff have the answer ready for me, and I will read from the Penal Code, Law 12 of 1975, under section 154: "**Negligent act likely to spread disease: Whoever unlawfully or negligently does any act which he knows or has reason to believe to be likely to spread the infection of any disease dangerous to health is guilty of an offence.**" So, this has been addressed and it is in there.

To continue in this vein, in our Health Care Strategic Plan, strategy number 8, Plan number 7 also goes on to expand on this. In the area of disease control it says: "**(1) We must review the present laws; 2) Amend present laws to make it a criminal offence to knowingly transmit or engage in any activity that will transmit a life threatening disease to another person, i.e., HIV; Develop protocol for the disclosure of health status of persons with life threatening diseases for those most at risk, i.e., spouse or significant other; Implement national multimedia awareness programme to educate the public regarding the legal implica-**

tions of knowingly transmitting life threatening communicable diseases. Enact legislation to require HIV testing at Cayman Islands Government laboratory for all applicants for work permits and residency purposes. Require HIV and HEP testing for all marriage licences."

A number of people have looked down on our approach of strategic planning, but these are strategies put forward by several dozen of our own Caymanians and people working within the health services as to how we, as Caymanians can address this problem without having to go overseas to bring in this expertise. I would venture to say that there is not too much more that we could think about as professionals than what we are now doing through our Health Strategic Plan.

At this time I would like to share a few excerpts from the 1995 Annual Report on Vital Health Statistics. Life expectancy at birth in the Cayman Islands is now 77 years. There were 485 live births and three neonatal deaths in 1995. Interestingly enough, the major causes of death were diseases of the circulatory system, mainly heart diseases and malignant neoplasms.

I would like to take this opportunity to urge all Caymanians to become more aware of proper and regular exercise in order to help us with heart disease. At the George Town Hospital, the process of tendering and purchasing supplies was computerised. A medical journal data base on CD ROM was made available to clinical staff. Staff training on computer applications continued. Plans were finalised and materials and equipment ordered for the implementation of a fibre optic network to link the Laboratory, Radiology, Dental, Public Health and Administration Buildings to the main computer system. This network will be the foundation for computer expansion into the new Health Services Complex Buildings.

All on-call doctors and other senior staff have their own radio and pagers. A doctor is available on the compound of the hospital around the clock. Security measures at the hospital were strengthened to prevent all unauthorised access. Hospital admissions totalled 3,622 with a 2% increase, and out patient and casualty visits showed a 4.3% increase, rising to 48,285 in 1995.

The Medical Records Department of the George Town Hospital operates two shifts per day over the hours of 7.30 AM to 11.00 PM. There are over 50,000 records registered in the computer system, with the creation of approximately 500 to 600 new dockets per month. Births and deaths documentation is done in liaison with the Registrar General's Office.

The Laboratory Services is a very special area of the Hospital and I would venture to say that it is headed by a world class pathologist. He has done a tremendous job there in organising the services that we now provide. Services are provided in blood banking, haematology, clinical chemistry, medical microbiology, serology, histopathology and cytopathology.

Autopsy services for forensic and hospital purposes are provided to establish the cause of death. The laboratory service continued to be busy carrying out 205,820 tests, and increase of 14%.

The Laboratory is open until 11.00 PM weekdays in order to reduce time for emergency calls and to complete any remaining tests on specimens collected during the day. The Laboratory has introduced a number of new tests to reduce cost of overseas referrals and turnaround time for the

results. No overseas referrals are required in the areas of histopathology and cytopathology due to the full development and utilisation of these services.

A common complaint at the hospital is the time that we have to wait on a prescription. After looking at some of these numbers I can better appreciate the time it takes to get a prescription filled. The Pharmacy services are provided by two pharmacists with the support of five pharmacy technicians. The Department is open from 9.00 AM until 6.00 PM weekdays, and from 9.00 AM to 2.00 PM on Saturdays. Thirty new pharmaceuticals in the area of dermatology and oncology were added. Prescriptions dispensed in 1995 totalled 99,006, an increase of 6% over 1994 which comes out to an average of 307 prescriptions per day. This is one of the reasons why we have to wait an hour, or half an hour sometimes; there are so many prescriptions being filled there.

The extended care unit, the wing of the Pines Retirement Home, is an integral part of the Hospital. As such, it is not limited to geriatric cases, but is designed to serve persons of any age requiring intermediate or long-term nursing care. Patients in this category in the Acute Care Wards only are transferred to the unit.

In its 10th year of operation, the unit is fully utilised, thus reducing overcrowding and unnecessary utilisation of Acute Care beds.

Mental Health Services: A comprehensive community based mental health service system is in place in the Cayman Islands. One hundred and twenty three patients in Grand Cayman, and six patients in Cayman Brac were admitted to the Hospital for psychiatric management. A total of 1,723 outpatient visits were made to the psychiatrist and the psychiatric social worker.

The community mental health nurses visited the districts daily including domiciliary visits, the prison, geriatric homes, day care centres and district health centres. This year, with the support and expertise of the Pan American Health Organisation, we will be doing a comprehensive review of our mental health services. I look forward to this as we are now in the final stages of our hospital project and these will be incorporated in that.

Under Dental Services: In October of last year a nationwide oral health survey under the sponsorship of the Pan American Health Organisation was undertaken by the Dental Department. Results of the survey will help to set dental policies for the next decade. Plans are currently underway to strengthen dental services to some of the currently underserved groups, such as, the Joyce Hylton Centre and home bound individuals in the districts.

Prison Health Service: The clinic service operated by a registered nurse under the direction of a medical health officer ensures that the inmates are provided outpatient services as needed. Regular visits are made to the prison clinic by the district medical officer, the psychiatrist and a dental officer.

Public Health Service: Health advice to international travellers is provided on a regular basis and necessary vaccines are administered. Ante-natal, post-natal and family planning services are available to all Caymanians free of charge. Health assessments, including vision and hearing, are mandatory for admission to school. School nurses ensure that all children are fully immunised. Defaulters are followed up in the school system.

District Health Centres: There were 33,115 patient visits, an increase of 8.9% to district health centres in Grand Cayman. Visits to the Public Health Centre at Faith Hospital were 422. There were 8,163 home visits by the public health nurses in 1995, an increase of 2% over 1994. Immunisation coverage continued to be highly satisfactory, exceeding the targets set by the World Health Organisation. Figures for the year were 91% for polio, 91% for DPT, 96% for MMR and 70% for BCG, 90% for haemophilia, influenza B vaccine. Immunisation is provided free of charge by Government in order to ensure a continued high rate of coverage. The Cayman Islands has adopted the two-dose schedule of MMR vaccines as approved by the Center for Disease Control in Atlanta, Georgia.

Influenza vaccine continued to be offered to high risk groups and other interested individuals. Hepatitis B vaccination was offered to all healthcare workers.

The Genetics Programme: The Genetic Coordinator's capabilities were strengthened with her attachment to Mailman Centre and the Jackson Memorial Hospital in Miami, and the Sickle Cell Clinic in Jamaica. Genetic counselling continued to support groups in relation to genetic disorders to assist the community in supporting each other were initiated. Testing for Cerebella Ataxia gene localisation was achieved with the assistance of the Mailman Centre.

I must say that I am pleased that since this Government has taken over we have activated this which has laid dormant since the 1980s. I am very pleased that we are now making progress in this. Later on this year, I hope to share some of the breakthroughs that we have made in this area by working closely with these overseas foundations.

The Nutrition Programme: Plans for evaluation of the menus in schools were completed. Nutrition counselling clinics at the hospital and the district health centres were conducted. The Nutritionist is also responsible for advising the dietary services at the Faith Hospital and providing nutritional counselling to the residents of the Sister Islands... (I beg your pardon, Cayman Brac and Little Cayman).

Many questions have been asked about the sexually transmitted disease programme and I am proud to say that under the Medical Officer of Health this has been very closely watched. The incidence of communicable diseases was very low in 1995. The incidence of sexually transmitted diseases continued to be a concern and education and surveillance activities were intensified. Since the first diagnosed case, a total of 16 AIDS deaths were recorded as at 31st December, 1995.

There were three AIDS cases and 18 HIV positive persons in the Cayman Islands. This Government remains committed to strengthening the AIDS control programme through intensified educational activities. To this effect, a public health nurse was appointed coordinator for sexually transmitted diseases.

The major achievement in the programme during the year has been completion of blood handling education sessions in all schools, both government and private, who desire to have them. A work shop for teachers on HIV and AIDS was conducted to enhance their knowledge and to facilitate assistance to the students. The workshop was attended by 200 teachers.

The Speaker: Would this be an opportune time to take the luncheon suspension?

Hon. Anthony S. Eden: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended until 2.30.

PROCEEDINGS SUSPENDED AT 12.45 PM

PROCEEDINGS RESUMED AT 2.41 PM

The Speaker: Please be seated.

The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation continuing.

Hon. Anthony S. Eden: Thank you, Madam Speaker.

When we took the break I was addressing certain areas within the hospital and some of the accomplishments that we have been able to achieve in 1995. We will continue in that vein.

The international agencies through which the Health Services Department works, PAHO and WHO, continue to lend their support to primary health care and the development of a local health services. PAHO very ably assisted with the oral health survey conducted in October 1995, with the support from the World Health Organisation collaborating centre in Texas. Also, we are grateful for the help provided by the Dental Department of Jamaica.

PAHO offered fellowships in the management of sexually transmitted diseases and genetics programmes. The Caribbean Epidemiological Centre (CARE(s) provided technical assistance for laboratory service. This was very helpful to us when we thought there was an outbreak of dengue fever in the islands. We are grateful for the help offered by CAREC and the quick response time in which they were able to deal with our samples which were sent overseas.

The Caribbean Food and Nutrition Institute continued to support various local nutritional programmes. Training in the Health Services Department: Training continued to place emphasis on continuing education for all staff. In-service credits of 10 hours annually are mandatory for all staff in the nursing service and staff continue to benefit from regular updates in CPR, IV Therapy and EKG Interpretation. A number of ongoing programmes are in place in Cayman Brac.

The summer employment programme offered to students interested in careers in the health services continued to be well supported by students and Government. Students have shown interest in many sections of the health services department. The nursing service has been greatly appreciative of this programme which continued to make a significant contribution to the recruitment of local people to the profession.

Three staff members, the statistical officer, the medical records supervisor and the information systems technician attended a PAHO sponsored workshop on the implementation of the 10th revision of the International Classification of Diseases, better known as ICD-9, in Kingston Jamaica.

Clerical Officer commenced studies in Medical Records and statistics at C.A.S.T. in Kingston, Jamaica, in September. The course is funded by PAHO and continues through August of this year. Local workshops continue to be encouraged and we've been well supported by all healthcare

workers. In addition, Medical, Nursing and other staff attended overseas workshops, conferences, seminars and training programmes on a variety of subjects. Greatly contributing to this ongoing training is the development of a structured continuing medical education programme in association with the Baptist Hospital. This features periodic visits by specialists from that institution and attachment of medical and nursing staff to Baptist Hospital in Miami.

As we have heard some Members of the Opposition and the public in general talk about how terrible things are at the hospital, literally of our health services being a white elephant, I say that this Health Services Department is a very functional entity within Government operated by very dedicated and hard working professionals.

I would venture to say that if the previous Member, Mr. Miller, had listened to these people we would now have in place a good hospital located in the right place.

Another area I want to touch on in my Ministry is Cayman Counselling Centre. In 1995 the Cayman Counselling Centre experienced growth in physical accommodation as well as in the scope of its programmes. In March of last year, Cayman Counselling Centre relocated to Paddington Place which provided more privacy and increased space.

An additional three counsellors were employed to assist in the implementation of expanded services. Some of these services were as follows: an adolescent programme serving the school system and the Cayman Islands Marine Institute. I have been getting some very positive feedback from both CIMI and the schools in regard to our drug counsellors being made available to assist these troubled children in times of need. We cannot possibly put a price on having these services available to our young children.

A full day programme of group and individual therapy for inmates at the Northward Prison; a training programme for student nurses at the George Town Hospital to give them an overview on the subject of Substance Abuse Prevention and Rehabilitation and its relationship to the nursing profession.

One of the highlights of 1995 was the opening of the full time out-patient programme in Cayman Brac. It is noteworthy that the counselling centre was able to be staffed by a fully qualified counsellor who is a native Cayman Bracker.

Administratively, Cayman Counselling Center developed and documented policies and procedures which included its own internal drug policy. Training for staff was emphasised and three staff members attended the Florida School of Substance Abuse to fulfill their continuing education requirements.

As an off-shoot of Cayman Counselling Centre, the next area I want to touch on is the Breakers Rehab Facility. As I have said before in this Honourable House, before any major policy decision was set in place, I made it my business to go overseas to visit the Hanley Hazelden Rehab Centre in West Palm Beach. I had to have it in my mind that a facility like this being placed in a small district like Breakers would have no adverse effect on the people there.

I was convinced of that as I saw in close proximity to the Rehab Centre, homes and interaction very close to businesses and hospitals. After speaking with the management there, I felt that there were literally no problems. As a matter of fact, I was told by the manager that never once in

their 10 years of operation did they have any incidence of violence.

I have been sharing this with the people and I have undertaken to go there with a couple of our own Caymanian Counsellors. They shared with some of the residents of the area and gave testimonials. I was very touched by our young Caymanians who have been able, thank God, to lick the problem. One of their cries was that if only when they were experiencing these difficulties they would have had someone to turn to, they may not have sunk to the depths they did.

This is what I am now focused on to see that it is brought to fruition. This is not a situation in which I may become popular, but when I see the suffering of our young people, I know that we must take a step. No matter where we go with this facility, the people will have the 'not in my back yard' philosophy. This is something we need and the longer we delay, the worse it will get.

During the run up to the elections in December last year, there was a forum held at the Civic Centre in Bodden Town. One of the questions asked of the candidates was if any of them would support the Breakers Rehab Centre. Unless my memory fails me, I believe there were only one or two. I am pleased to say that the Third Elected Member for Bodden Town was one of those people. As a matter of fact, some of the people there said, "take it and put it in McKeeva's back yard!" I think that was a crying shame for these islands. This is not McKeeva's problem, this is the entire country's problem. If we do not face up to it (as the old people say), 'dog eat our supper.'

Ever since the election in December a very small handful of highfalutin hypocrites who have their minds in the gutter have been trying to discredit and smear the lady Member from Bodden Town and myself with trash talk. As I stand before God and man... I do not compromise my moral standards. I ask those few critics to desist from judging me on their own standards.

Hon. W. McKeeva Bush: Hear, hear!

Hon. Anthony S. Eden: Leadership means that at times we have to make difficult decisions that will not be popular to a few people. But we must look at the long-term benefits for the majority. I am convinced that this is needed for our people. Toward that end, we have followed the proper procedures as set down by Planning. It is now with the Public Sector Investment Committee. We have given people the opportunity to object. We will not deny them their democratic right. I am pleased to say, without giving specific figures, that of the responses we have so far received, they are positive responses.

Before leaving my Ministry and the different departments that fall under it, I would like to take this opportunity to pay tribute to and thank the dedicated workers I have working along side of me. I do not go in there and stand over them, I go there and we work together for the betterment of this country.

When I see the dedicated workers at the hospital, and in different areas, the efforts that they put forward working under extremely difficult circumstances, I am very proud of them.

I move on to the Ministry of Education and Planning. Once again, a great effort has been made in this area.

Work on the National Curriculum will continue with teachers. I am pleased to say that members from my Ministry and CASA are very much involved in this new curriculum being put forward, writing into this something that should have been there a long time ago, that is, addressing the drug problem that we now experience in these islands.

In years gone by, when we spoke to people like Mr. Benson Ebanks, in West Bay, he did not see the relevance of that at that time, but it crept up on us overnight. We are now suffering because of that. The only way for us to improve and make significant increase in demand reduction is through the education of our children. The sooner we start this, the better.

We cannot wait until high school and middle school, we must start at the primary age level. As parents, we must take responsibility for the life-style we live and make ourselves accountable for our children. This is what it is all about, taking and accepting responsibility. No matter how much they criticise strategic planning, this is the basic concept of it - involvement of us all, taking and accepting responsibility and stop passing the buck. Until we do that we will not be successful in our struggle against drug abuse or anything else for that matter.

There is a comprehensive forward planning policy to encompass the development of a new Primary School in the West Bay area and expansion of the Savannah Primary to a two-stream school. This will be developed as we go along.

When the Minister for Education first approached me with this I had already written to the Permanent Secretary in the Ministry of Community and Lands asking that this piece of land adjacent to the Savannah school be looked at and procured for future development as this was the last piece of land close by which would be used by the people of this district.

The other plans that we envisage there down the line will happen over a period of years. But we had to first secure the land. The little post office has just about outgrown its usefulness. We need a play field. Many of the softball teams come from that area. We also see it being used for that.

I am pleased to know that we have been able to secure this land with the support of Members of this Honourable House and the Honourable Minister responsible for Agriculture, Environment, Communications and Works.

I am very proud of the two Primary Schools in my district, the Bodden Town Primary and the Savannah Primary. They are very popular schools and we all know that this area is the fastest developing district in the Cayman Islands. We must provide the infrastructural support for future development by looking forward and preparing.

I must pay tribute to the principal of our John Gray High School, and the principal of our Middle School. I am proud to know that they are both Caymanians. They are doing a wonderful job. I can personally speak about what is being accomplished at the George Hicks High School by the principal. I would say that the standard of equipment, resources and education available there is second to none anywhere in the world. The teachers are available and the new concept of sharing with parents, encourages us to come in and find out about our children.

My youngest son goes there. Last term he got a grade in Science that I was not pleased with. According to him, it was

the teacher. I did not go by what he said. His mother and I went with him and we sat down and spoke with the teacher, stating that never before had he gotten a grade so low in this subject. We wanted to know what was happening. We found out that the standards specifically set by this teacher were at such a high level, she challenged the students to bring up their level of work. I told my son, Brian, that he had to pull his socks up. I am proud to say that his last report showed dramatic changes, in fact, he was first in his class in that subject.

I know that there are some parents out there who, when their children tell them some nonsense about the teachers, want to run down to the school and pound on the teacher. We must not encourage this, we must hear both sides of the story and then make a sensible judgment.

One of the most pleasing developments has been the unique and innovative method used to increase the attendance of the PTA meetings. I was overwhelmed by the attendance at one of the PTA meetings, using the principle of 'Men Only.' At that meeting we had a group of young Caymanians (seven people) who came and talked to us from their hearts, from their personal experience. It was an overwhelming and humbling experience. In attendance that night were over 100 fathers and brothers. They even reported about it on television.

This is what the principal idea being put forward in strategic planning is all about, the involvement of individuals. Until we involve the parents, the families, we will not get to first base.

At the last reporting session which was held a couple of weeks ago, I had never seen so many parents. The parking lot at the school was jammed. There were hundreds of parents. So I say that whatever is being done and proposed by the Strategic Planning approach must be given a chance. We must stop tearing it down until we understand what is being done - go to the schools and find out and stop being critical. Give it a chance. It can only work if we, as parents, take responsibility.

I have heard talk about the previous Education Plan. To have called it a 'Plan' would have required quite a stretch of the imagination. A good example is that they wanted to add one extra year of school. Until we took over they had still not decided where they wanted to put that extra year of education. That is just one example, not to mention the management and the fiasco which occurred over the Kindergarten year where, we have subsequently found out, students (especially at the Lighthouse School) were left hanging out to dry. It was a crime, and we talk about adopting the past Education Plan?

Who was involved in that? Were the parents there? We brought in some experts who did not even share in the philosophy of the way we do life here in Grand Cayman. They must understand that we are a unique island/country and we need to adapt plans to the way and manner in which we do things.

We were asked to bring in a Bill of Rights, including Freedom of Expression, where one school age child can be different from over 5,300 children who have to wear uniforms and abide by a certain dress code. We have been operating by this high standard for decades. I say that it is high time that we stick to those principles which have been in place and have contributed to bringing the Cayman Islands to one of the highest standards of living in the world - renowned for safety and friendliness.

In a conversation with one of the visiting MPs recently, they commented that they hoped that they would not give in to this pressure. I, for one, will not. I have heard talk about the scholarships. I am pretty sure that if we go back and look at the facts, never before in the history of these islands has it been more readily available for our children coming out of high school to have the opportunity to go to college and expand their educa-

tion. These are facts. Not only a handful of the rich and special ones picked, but any child that qualifies under the guidelines of the Education Council can and, thanks to the efforts of the Honourable Minister for Community Development, it is now much easier for our children to get grants.

This is what this Government is all about, trying to help our people, our elderly, our veterans. Much talk has been going on about assistance to veterans. If we do not help them, who will? When they were out there shedding their blood for freedom, our older people in days gone by fighting mosquitoes, backing logwood and buttonwood trying to keep this country afloat, must we now deny them a decent way of life? It is a small contribution, a drop in the bucket, but we must somehow show appreciation for those who are in need. They must qualify, naturally, because I do not advocate that those who are not in need should be getting this contribution. But if they need it, by God, we should help them.

Cayman Airways is like tourism.., what can I say? Where we have come from with Cayman Airways is nothing short of a miracle. Just three short years ago this Government took over a frightening mess. There were obligations, because of borrowings, amounting to close to \$100 million. I think they were prepared for the company to go under. But the Honourable Minister who receives his generous share of criticism brought in a manager who understood the operations of an airline. He has been able to turn it around.

Despite figures shared from the accounts in this Legislative Assembly, we still have people raising doubts. I think this is grossly unfair for such an effort which has been put forward. We must go forward and work together in what we are doing.

This is our island and if we do not work together as a group... it is only we who can tear it apart from within. Constant criticism does not help.

I go on to the Ministry of Agriculture, Environment, Communications and Works. I would like to pay tribute to the Honourable Minister and his many departments. I am still amazed to see what can be grown in the Cayman Islands, as was so ably shown at the Agricultural Fair a couple of weeks ago. The cattle, the goats, the horses. . . sometimes I have to pinch myself and ask 'Are we in the Cayman Islands?' I remember four years ago when the then Minister, Mr. Linford Pierson, and his group had done away with the Ash Wednesday Agricultural Fair. It was thrilling to see the first one we brought back at the Lion's Centre where so many Caymanians came together and were so proud that it had been returned.

We know of the efforts of his Ministry on the E-9-1 -1 system and I am made to understand that when it comes on line it will be of great benefit to our people, especially the elderly and the infirmed where, if they are having problems, they can pick the phone up and their location can be identified by this sophisticated system.

I need not comment on the Post Office, as we have all seen the dramatic changes that have taken place there. I must pay credit to those involved in bringing it such a long way.

I must speak briefly on the Public Works Department. There is no section of any business in the world that has taken more pounding and more criticism than the PWD. When we look at those dedicated civil servants working there, sometimes with limited resources, and the amount of work that they accomplish, I take my hat off to them. We must give them support.

The maintenance of the roads: Naturally, if we had the funds this could have been put in place. Instead of some of the highfalutin things being brought forward from the last administration, these were not addressed. One little piece of road was worked on up by the Jennet T I think was the extent of their road works. Here we are, now facing a tremendous amount of maintenance work, which, I must say I am grateful for, specifi-

cally in my district of Bodden Town, which is taking place on the shoulders of the roads. Bodden Town has been left behind for too long. Thank goodness that with the help of the National Team, and the support of our Backbenchers, we can see the changes not only Bodden Town, but in North Side, in East End, in West Bay, George Town, Cayman Brac and even in Little Cayman. It takes working together.

Hon. W. McKeever Bush: Hear, hear!

Hon. Anthony S. Eden: It is not just one or two of us out there; we are doing this as a team. There is no constant criticism as we have heard about censorship over the West Bay roads. When we really found out about those 'private roads', we found that some of those led to the homes of the elderly and places where fire trucks and ambulances could not enter.

I would venture to say that in the entire history of Governments prior to this one, never have more street lights been installed than in the street lighting project being put forward by this Government. Naturally, the Minister and his departments cannot take care of all of them, but you have to admire the programme he has put forward where certain areas are prioritised. When we look at the reduction in crime in some of these areas, we must give him praise for his contribution in the area of lighting and making these islands a little bit safer.

There is a little lady in Bodden Town who could not understand why we put the bright lights in Bodden Town. She said they were too bright and that she could not sleep. Anyway, we will keep trying, as we all know the Big Guy from above came down and he was not appreciated. We will make an all out effort to do the best we can for the majority of the people.

I now move on to the Ministry of Community Development, Sports, Women's and Youth Affairs and Culture. Talk about Minister's being maligned, it is a good thing that he is a big fellow. As I have said, not too many other Ministers have done what he has accomplished in his short three years as a Minister for the youth and the elderly, in this history of these islands. That goes back to my first cousin the late Jim Bodden. Many of the ways that the Honourable Member has reminds me of his fight for our people and he is doing a great job carrying it forward.

As he says, his department intends to coordinate the provision of proper adult care centres in West Bay and Bodden Town. I look forward to when the one in Bodden Town is completed. With the support of this House we were able to purchase a house and two acres of land behind Cumber Avenue. I have been reliably informed that one of the service clubs will offer assistance later this year enabling this project to become operational. For that we are grateful.

Even before this, our community group, under the able leadership of one of the Community Development officers (Mr. Tony Scott) had identified this as a project that we would work on in Bodden Town and move forward to provide comfortable facilities for our elderly people. I cannot give enough praise to that gentleman. He is one of the most energetic and dynamic organisers I have ever had the pleasure of working with.

I must offer my thanks to the Minister of Community Development for his foresight in establishing these officers. There are two other ones, and I am made to understand that there will be provision for another one later this year.

What has happened in certain areas of this island is history. One example I would like to draw upon is the Watler's Road. This is nothing short of a miracle! In December I was invited there for a Christmas Tree lighting and I was absolutely amazed at the improvement in that area. That was accomplished by bringing people who wanted to help together. They just needed someone to lead them and show them what to do.

This Community Development Officer was approached by my colleague, the newly elected Third Elected Member for Bodden Town, to help us get organised in the community and to work in our district. As we all know, from the involvement she has had in the Savannah/Newlands group, this is one of her strong points. She and Mr. Scott worked together, the rest is history. In the district of Bodden Town a bipartisan group is now working on a community project, the Coe-Wood Beach. It is a thrilling experience to go out there on a Saturday and see 10, 20 and up to 50 people from the community working together for the benefit of our district. When we talk with some of the older people they are so uplifted, and are there working side-by-side, not necessarily doing a lot of hard work, but they are there making their small contribution.

We are seeing something in Bodden Town that we have not seen for several decades - the young and the old working together. We see the elderly sharing stories of times gone by. On a Saturday I think it is the talk of the island. People from all over the island are stopping by to help.

I must thank those who have helped us so diligently, and the wonderful ladies who provided not only breakfast, but lunch for all these people. We had a special young lady from Caribbean Utilities Company, who brought a pot of soup in the evening. I invite any of my colleagues here to come out and share this experience with us. This is what communities are all about, bringing us together without politics.

The next area I move to in this Ministry is sports. We get nothing but praise for the improvements accomplished in three short years in the area of sports with the facilities which we can now boast of. These are second to none in the world (The Truman Bodden Complex), where we hosted the CARIFTA games a couple of years ago and, more recently, the Shell Cup. When we talk to these people from overseas, we get nothing but praise.

This Government took a lot of pounding because of that, but look at the results, look at our young people; talk to the juvenile courts! Where were we four years ago? We had 300-odd children who went through our juvenile courts. Thanks be to God, last year it dropped to around 100 or so.

It has been advocated that we should build more courts. I say, no! We must get to the root of the problem.

Hon. W. McKeever Bush: Hear, hear!

Hon. Anthony S. Eden: We must help our young people before they get into these problems. We must do preventive maintenance.

Those of us who were in the military, like the Honourable Minister for Tourism, know preventive maintenance is highly spoken of. We can keep these children occupied with basketball, football and softball. It is unbelievable what the national basketball coach has done in this country. It is fantastic. I must pay tribute to this gentleman. In the last competition our two little teams from Bodden Town (under 14 age group) were in the finals and in the semi-finals. These were children who had never had the opportunity before to play. I am proud to say that one of them won the district championship.

What hurts me is the amount of money that had been used for prisons and jails prior to this Government. If we had spent a fraction of this . . . I think the Honourable Minister said that \$70 million was spent on that. If we had used a small portion of that money in those days to help our young people, what a difference it could have made.

We still need a gymnasium where the children can play indoors, with a good wood floor so that when they fall down they do not get skinned to the bones, as I see happening up at

Bodden Town. This is money well spent when we spend it on our young people.

I look forward to starting the playing field in Bodden Town . . . well, we have already started, the ground-breaking took place last year. I look forward to bringing this up to the standard I have seen in other districts of this island. I know the funds are there, it is just a matter of bringing everybody together.

I can assure the Minister that the group of young people from Bodden Town will be there by his side where Government does not have to do everything, they will be assisting in any way possible.

Funds from the Breakers Community Group (who took it on themselves to get this going for the young people of Breakers) were also criticised. I must thank Mr. George Powell for the interest he has taken and for the advancement he has made with the little play field in Breakers. I am grateful for this.

I see where: **“This year the Government intends to renovate and convert the Town Halls in West Bay, East End, and North Side into district libraries.”** I know that funds are there also for Bodden Town. We may not use our district Town Hall, but we have an area there (the old clinic) which we look forward to developing. This has been a project identified by our committee group in Bodden Town with membership throughout the district.

We have tremendous resources available in this group, which gets so much criticism, but they know they are doing it for their district of Bodden Town. It does not matter who comes there, whether it is Government, or me, as a politician, or other Members. They are focused and they want to see things made better for Bodden Town. They constantly work toward that end.

Every Wednesday evening we try to get together. Sometimes the group is small, but we meet. We plan and we look at what else can be done and identify areas. We have a long, long list. I encourage the members of my constituency to come out and join us and see what is going on. See the improvements that can be made, not only in Bodden Town, but in every one of the electoral districts. It can be accomplished by all of us working together for the good of these islands.

The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture took a lot of harassment when he introduced the efforts to get housing for our people. Once again, what has happened is history. Over \$7 million has been loaned to people who, prior to this Government, could not get a loan because they could not come up with that first 30% or 35%. We have enabled them to do that.

The Water Authority seems to grow from strength to strength. I am pleased to see that later on this year an extension will be going into Breakers. I know the people of Breakers will welcome that. There is a gentleman there who wants to do some developing, build a little cottage and he has inquired. I am pleased to let him know that we will be coming out that way later on this year.

In closing, I must give praise to you for the establishment a few weeks ago of prayers during the lunch break. I just wish it was possible for all Members to share in this moment of time with our Maker. I must praise the Honourable Financial Secretary who was able to guide us today in your absence. I think this is a wonderful thing you have created and it is one more way to keep us together as legislators in trying to take politics out of this. When it comes to God and helping people, politics should have nothing to do with it. It has to be what is good for the people.

Hon. W. McKeever Bush: Hear, hear!

Hon. Anthony S. Eden: Finally, for those doomsday prophets who try to scare and mislead our people into believing that the National Team Government has done nothing, I would like to compare this article written by one of the development companies, Cayman Islands Realty and Development Ltd, the Market Report of the 1996 winter season. Compare this to 1992 when we took office when just about everything was at a standstill.

We remember the \$7.5 million deficit this Government inherited, not to mention the \$55 million that had been accumulated before funding during the last four years of that administration. Tourism was down, rampant accusations of 10% was all over the place. There was no construction. Never before in the history of these islands had we seen such a major problem with unemployment. I know we are not perfect, but we have tried. We have come a long way since 1992. Just to briefly read, **“The Overall Outlook: The activity which we have seen in September and October of 1995 has been higher than at any time previous in Cayman history. Nineteen flinty-five has been a great year for real estate. We have reached the point where one property sells every day in the Cayman Islands.”**

Is that the same island that we hear is in so much trouble . . . and the Government is constantly criticised for everything we do? My colleagues share with me some of the problems they are experiencing in one of the islands. We should be thankful to our Heavenly Father for the blessing he has bestowed upon us to live in a place like the Cayman Islands. I have been all over the world, and there is not one place that I would exchange for my beloved Cayman Islands. We can only keep it this way if we, as responsible citizens, work together toward that end.

This final forecast in this newsletter: **“If you are a visitor and do not yet have flights or accommodation for this winter you are in trouble. If you are a local working resident and plan long holidays this winter, forget it. Nineteen ninety-six should be the best year yet for the Cayman Islands in terms of business activity.”**

Our forecast then is for very sunny economic skies during 1996. I would like to leave that message with our people out there. Let them make the comparison to see what the true story is. Thank you.

Hon. W. McKeever Bush: Hear, hear!

(pause)

CLOSURE OF DEBATE

Standing Order 38

Mr. Roy Bodden: Madam Speaker, under Standing Order 38, I move that the question be now put.

Mr. Gilbert A. McLean: Madam Speaker, I beg to second that motion.

The Speaker: I will not put the question because I still think there are a minority of people who need to speak. But if no one stands up within the next couple of seconds... (pause)

An hon. Member: Five, four three two . . .

The Speaker: Fourth Elected Member for West Bay.

Mr. D. Dalmain Ebanks: Thank you, Madam Speaker.

I now take the time to make my contribution to the Throne Speech which was delivered by His Excellency the Gov-

ernor of these Islands on 16th February. I have to congratulate His Excellency on the way he delivered his speech to this Honourable House, being his first time making a Throne Speech. I have to give him a big hand for his deliverance.

The way that he delivered himself I think says here is a job well done, the way this Government is running the country. Looking back at what we found three years ago up until now, I feel that it is nothing but a job well done. It took the National Team Government to do it. To get this island to the condition where it is now where everyone is enjoying themselves, from where it was in 1992 is something close to a miracle. Why this country was brought back is because our Government works together as a team, all for the betterment of these islands. Although we have some opposition, they could not stop us. I pray that they will get converted and join in with us for the balance of this term.

For the Cayman Islands, islands with their own integrity, we have to say that these islands are dependant on off-shore business. To rebuild our condition was not an easy task. First of all, relying on offshore business to come into this island meant we had to prove to them that they should accept this island. To do that we had to rebuild our stability. Thank God we were able to do that. We rebuilt this country and as it goes we are still building. We have put these islands back on the map where we are the envy of most countries. I do not think too many really give us the congratulations we should get, but they have to admit that Cayman has a technique that they do not have.

The progress we are making is something that is hard to believe. Progress or prosperity does not come to anyone on a platter or does not grow on a tree that you can go and pick it off, it has to come through hard, honest work and good planning. That is what the National Team Government has shown the world it can do.

Tourism is one of the main contributors to our economy. We are now enjoying a booming tourism season. That did not just happen. The Minister for Tourism is a dedicated hard working man. His plans and drive are for the betterment of this country and this is what he has proven could be done. I think we should all congratulate him for it. But, it is as everything else goes, we are going ahead with all departments, some faster than others, but each one of them has their Minister to run them. They are honest hard working men.

Tourism brings not only the tourist to the islands, but it develops work that would not be here if it were not for tourism - construction of hotels and condominiums and the feedback that we get from the people that are working in the industry. This all goes along with what I said about planning - it has to be the main thing.

Education: The Minister for Education has also done a good job with that. The system has advanced through him and his Board and there has been a visible improvement at the schools. He is also the Minister in charge of Cayman Airways. We have to take our hats off to him because he has done a good job with that. He has brought Cayman Airways from the brink of collapse to where it is flying in the air again like a supreme being. It looks so good that they are now planning on buying another plane. He also made some expansions at the airport. All of this goes along with progress.

Agriculture: Here again is another department that has worked hard and has shown what could be done as far as agriculture in these islands. One only had to look at this last show and they would realise that they had to congratulate the Minister for it. It takes a lot of hard work and planning to keep this going. But this is his line and I know that he will continue doing what has to be done.

Sports: The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture is doing a great job with it. I, for one, have to congratulate him all the way. He has done more for sports in the past three years than any Government has ever done. In fact, I cannot say that any other Government ever did anything for sports. He has taken licks for what he has done. People have claimed that he should not have spent so much money on sports, but if the people would only look back and see that sports is an education, they would be right. One thing it does is help the youth to keep them in the right form.

If we think that sports is not a builder... take the youth in sports today. If they did not have it they would be on the streets. It is bad enough now as it is. How much more would there be if the youth paying attention to sports were also out there on the streets? This is why I say it has been one of the greatest things that money could have been spent on. It is money well spent. Whatever has to be done in sports, I, for one, will be supporting the Minister on.

The Housing Development: Here again, is something that people did not talk well of. Some people got homes who never would have otherwise. This is something that the Minister really put himself out to do, and he did it.

The design plan for the Health Complex has not been completed, but will soon be. This project will be going ahead. The Minister is doing all he can do and we have to back him and support him. The part of the project that has been started will soon be finished and operational and saving this Government money in rent.

This year we are coming to is an election year. I know that the Opposition is getting their heads together. There is one thing I would like to say: When the campaign is on, I ask that they focus on issues and not mud slinging. Mud slinging will get us nowhere. I do not think it will help anyone win the election. People nowadays are not like before, they know a bit about politics and they are looking for the Members who can really help the country, and those who have helped it. With that, they will be voting for whomever they think are the best people.

All departments seem to be moving ahead. One other department I want to congratulate because I always champion them, that is, the Royal Cayman Islands Police Force. I feel that they have the right man there now behind the helm as Commissioner of Police. His moves are proving successful. He has the ability to perform and lead in the manner of policing.

The police are out there now mixing with the people which is one of the main issues - that they get to know each other (police and residents). Some go to the schools to make friends there with the school children. They realise that he is their friend. Whenever the police are around, you feel a space of safety or protection. Everything is not falling in place as fast as we would like (the other districts are calling for police service 24 hours a day), but we will eventually get there.

I see where the Minister also plans to start a youth band. This is something that will help the youth to be good people. Getting them interested in the band will make them feel like they are doing something for their country and for themselves. That is a very good move.

The Minister has also been taking blows over the veterans pension. I have to say that it is high time that the veterans got their pension. This is not something that happened over night. This has been talked about from just after World War II. Facts be known, they were even supposed to get a post war pay after the demobilisation of the war. That did not happen. Then we took up a motion asking about the pension. Nobody was interested in the pension. .

Now, the Minister has gone about it and got it going. If there has been any mistake in it, paying out money, I will not

criticise him about that. Most every person old enough who tried to get on the pension was probably sailing to sea during the war. Whether they were in Europe, or in the Caribbean, they were still in the war zone because it was all over the world. If they feel like they should have something, I say good for them. But, let us give Caesar what belongs to Caesar. The Minister is doing a great job.

Before I take my seat, there is something else that I want to speak about. We are all acquainted with Castro shooting down planes last week. President Clinton has declared that he is going to tighten up the embargo on Cuba, and that he will punish any country that gives assistance or that does business with Cuba.

It has been on my mind, so I have to say this: There is a weekend flight that goes to Cuba and I think that Government should take a look at this and see what is going on because we would not want President Clinton to put an embargo on us. It would be bad for us if the United States said they could not trade with us anymore. With that, I ask Government to take a keen look into this and to my colleagues and friends, as I said about the upcoming election, I wish you all luck and may the best man win.

Thank you.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

I was going to check my mailbox two days ago when someone stopped me and said: Have you learned to swim amongst the sharks yet without being bitten? I could not answer the person then, and I am not so sure I can answer them now, but hopefully I will survive.

As I begin to give my contribution to the Throne Speech delivered by His Excellency the Governor, let me first of all say that I recognise that the Government has a large enough choir for the singing of the accolades. I do not think that I have to waste time talking about what is right. What I do promise the Government is that in all of my observations I will be as fair, as unbiased and as factual as I can be. I hope that they will listen to my observations on what I do not see as being right, so to speak, and that even if it is not conducive for them to accept that publicly, that they will at least pay credence to what they think merits their looking into.

In the Governor's preamble, he mentioned that ". . . **government has a duty to the citizens.** It has a duty to provide the services to maintain law and order. . ." **and social harmony. Government also ". . . has a duty to provide the services to maintain law and order, ensure care for all and offer education and training for the people."** As I have said before in this Honourable House, law and order and social harmony are the two key ingredients that we must accept as the nucleus for the success of this society. As I said, I think it is my job to point out any inadequacies that I see prevailing. I will do that in the best interest of the people of these islands. What I will not do is dwell in the past because I believe that it only makes sense to dwell in the past if one is learning a lesson. What I will attempt to do is to speak about now and the future.

I hear comments from those wondering who coached me on these words. For all those who think different, let me say that they are my own.

As we move into the Throne Speech, the very first section is the Judiciary. The Governor stated that work will continue on improving the facilities of the Court. The Honourable Minister for Health made a point that is valid when he said that concentration should be put on spending money in the areas of preven-

tative education with regard to drug abuse and crime with the youngsters so that the Courts do not continue to increase in activity.

Having said that, the fact is that we cannot turn back the hands of time, and we can expect that Court activities will not decrease. It is fitting because I think we all understand and accept that the facilities in the Courts are very cramped and something has to be done with regard to looking into the long term. If it is a situation where in the immediate term rented accommodation has to be the answer, then I guess I cannot say that I have a problem with that. But, we have been talking about the cramped space in the Courts (like a lot of other things), and various alternatives have been examined. I do trust that some specific measures in this vein will be forthcoming.

The truth is that inasmuch as we, who wear several hats, try our best to ensure that we are at least as good a role model as we can be in order to create the right impression with the youngsters, the pace this society has been going unfortunately adds distractions on a daily basis. Certainly, the Courts are not going to go out of existence so I think we should be looking to provide enhanced provisions in order for them to function.

We can look at what has to take place now, the various outside locations that have to be used for Court sittings. The Court Building is nearly 25 years old, so while it was serving its purpose for many years (and I do not suggest that one has to create a brand new facility), I think we should be looking at providing more space even if it is at the same location.

Having said that, I will be talking about many things which I see the need for, but let me immediately say to the Government that I recognise we do not have an unlimited bank account. I understand and appreciate that the juggling act is continuous and that it is all going to boil down to a matter of priority.

As I continue on, I will do the best that I can to distinguish an order of priority on the various aspects of the different departments and other peripheral areas that I see as priority in the services that are provided for the country by the Government.

Moving on into the Throne Speech, the Royal Cayman Islands Police: I too would like to add that I believe the new Commissioner of Police has the best of intentions. He is also fairly innovative. I do believe that his approach is one that is very conducive to bringing back some of the trust which has been lost over the years between the community at large and the police.

I also understand that he has had to (and will continue to have to) make some decisions which individual people may think are harsh decisions, but I do believe that those decisions are made with the best interest for the Force and the people of the country at large.

The one aspect regarding the Royal Cayman Islands Police which I really wish to add total support to is the idea of it becoming a *service* rather than a *force*. The word force implies just that, and I do not interpret the fact that he is trying to create a service to mean that force will not be used when necessary. In providing a service with the Royal Cayman Islands Police, I believe that there will be a lot more community involvement, and we might well find ourselves in a much better position to solve the crimes as they occur because one witness who is prepared to speak out saves so much time, money and labour to solve the crime. That is where we are sadly lacking in these islands. It is obvious that it is because of the distrust I mentioned earlier.

I wish to now refer to something that I wish someone would consider in regard to the Caymanianisation of the Royal Cayman Islands Police.

I have been made to understand that the test which is given when one makes application to join the Royal Cayman Islands Police is, in relative terms, a simple one. The observation that I make, with the greatest of respect, is that I believe that if many of the policemen whom we hold in high regard had to take that test they would not pass. Good will, the right attitude, loyalty and all those other things put together go a long way. I hold the view... though not for a minute am I suggesting that people should be allowed to enter into the force if they cannot pass that test. I believe that we should not be taking the view that if they take the test and do not pass it, that is it. I do not hold that view.

Youngsters have come to me pleading (and I am not making this up)...they know me, they want to know if there is anything I can do because they want to become a policeman. But they have taken the test and failed by however many points it is. It is my view that if we have Caymanians, male or female, who have that fervent desire to serve the country in that manner, whether it be looked upon as an occupation to earn a living or simply a desire to be of service and earn a living in the meantime, I believe that we should provide some means to put them through some type of scholastic training to bring them up to that level, also hold the view that on the average it probably would not take any more than three months.

One could counter that argument by saying that if they were so interested they would go and learn what they have to learn. The difference is that those of us who talk like that know that we could pass the test; those who do not pass the test are not that well in tune with their own volition to know exactly what to do.

I hold the view that the accomplishments that would take place by providing something like this would be many fold. While we are not talking hundreds and hundreds of people, the truth of the matter is that it is one way of providing a young Caymanian with a job and the inherent discipline is obvious. I think that it is a very good avenue to make someone a good citizen. I do not think that it would be a costly affair. In fact, one could take the argument further and say that if you are taking recruits and you need X amount of recruits for every six months (or whatever period), one could actually say that we are going to be having the test done on such and such a date, if you feel that you need to get a bit of brushing up, this is exactly how you can go about it.

It may be a very simple thought, and it may be one that will fall away, but I hold the view that if we expect to go beyond lip service to Caymanianise the Police Force, then even if my idea has to be torn apart and made a better case, that is fine. That is the best I can come up with now, and I think it is workable.

With no disregard and with no disrespect, Madam Speaker, it is a shame when we have to import policemen en masse. When I say it is a shame, I do not mean it is a shame that finger pointing needs to go on. I am not suggesting that. It is a shame for us all. While we might say that we should not be producing individuals from our education system who cannot pass that test, we know better. The day might come when the level of graduates will come and we will not have to worry about that, but what has been happening for many years is that many of the students who graduate are only at a certain level of education.

I do not hold the view that persons from abroad, generally speaking (and this is with no disrespect to them... maybe I apologise too much, but that is my nature) can be a part of the Royal Cayman Islands Police and feel how our own should feel about what has to be done. I think everybody will do their job, but that is one of the areas in public service where one more occasion than not, these people are called beyond the call of

duty to serve. It is my belief that if we have individuals who wish to participate in that process but because of a lack of scholastic aptitude they are denied that privilege, then we must provide the means by which they can participate in this.

MOMENT OF INTERRUPTION - 4.30 PM Standing Order 10(2)

The Speaker: It is now 4.30, Honourable Member.

Mr. D. Kurt Tibbetts: I will not be finished this afternoon, Madam Speaker.

ANNOUNCEMENT BY THE SPEAKER

The Speaker: Before I call for the motion for the adjournment, I just wanted to say that there will be a meeting in the Chamber at 5.30 pm. I will ask Members to put their papers away. Thank you.

May I now ask for the motion for the adjournment of the House? The Honourable Minister responsible for Education and Planning.

ADJOURNMENT

Hon. Truman M. Boddin: Madam Speaker, I move the adjournment of this Honourable House until 10 o'clock tomorrow morning.

The Speaker: The question is that this Honourable House do now adjourn until 10 o'clock tomorrow morning.

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

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until tomorrow morning at 10 o'clock.

AT 4.34 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM FRIDAY, 8TH MARCH, 1996.

**EDITED
FRIDAY
8TH MARCH, 1996
1009 AM**

The Speaker: I will ask the Honourable Second Official Member to say prayers.

PRAYERS

Hon. Richard H. Coles: Let us Pray.

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

Bless our Sovereign Lady Queen Elizabeth II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated. Order. Proceedings are resumed. Questions to Honourable Members and Ministers. Deferred question No. 5. The First Elected Member for Bodden Town.

**QUESTIONS TO HONOURABLE
MEMBERS/MINISTERS**

DEFERRED QUESTION NO. 5

No. 5: Mr. Roy Bodden asked the Honourable Third Official Member responsible for Finance and Development what the outstanding balance on personal loans made to non civil servants is by amount and name of borrower.

The Speaker: The Honourable Third Official Member for Finance and Development.

Hon. George A. McCarthy: Currently there are 15 personal loans owed by non Civil Servants amounting to a principal

sum of \$114,851. These include one case of theft where criminal prosecution is pending, involving a sum of \$70,490. It also includes another case which accounts for \$8,500 where the Government made payment for advertising to a company which failed to deliver the services due to bankruptcy. The remaining 13 loans, totalling \$35,861, are loans made to former civil servants for such purposes as medical expenses and scholarships.

In addition, there are 27 mortgage loans owed by former civil servants which involve a principal sum of \$295,280.23. Some loans continue to be serviced satisfactorily by the persons concerned, but there are 13 cases of arrears accounting for \$197,510.05 (that is interest of \$35,304.03 and principal of \$162,206.02).

All of the arrears of personal loans and mortgage loans are being followed up by the Treasury, and emphasis in the pursuit of these arrears will be further intensified by the Debt Collection Unit when it becomes operational during the course of this month.

Attached is a list detailing the names of the borrowers and the amounts outstanding.

SUPPLEMENTARIES

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Honourable Member say if mortgage lending within the Civil Service continues?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Yes, it continues.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Member explain what the procedure is, and if there are any limits to the amounts loaned to civil servants? What period of time are the loans usually for?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: The limit ranges between \$25,000 and \$30,000. The persons who qualify to borrow are persons who are on the permanent and pensionable establishment of the Civil Service and members of the Civil Service Association.

The procedure that is in place is that the Credit Committee of the Credit Union is used by the Civil Service Association in order to vet the applications to ensure that all the requirements are met.

The Speaker: First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. Can the Honourable Member say if any contact is kept with those 13

persons mentioned earlier to ensure that they have not left the jurisdiction?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Every effort is made by the Treasury Department to send out notices to these persons on a regular basis, but because the desired response in terms of servicing the indebtedness has not occurred, it cannot be vouched whether they are on or off the island.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Honourable Member say whether Government is holding a charge on the 13 properties that are in arrears?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, in many instances a second charge is being held on the properties in question plus all of the borrowers are required to have a life insurance policy in place.

The Speaker: First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. Would the Honourable Member say if it is a requirement that those civil servants who qualify and obtain loans, and who leave the service, are required to settle the outstanding amount within a certain period of time?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, we try to ensure that all the borrowers adhere to the time limit that was agreed upon when the loan was initially granted. This means that if a loan was granted for a period of twelve years and a civil servant resigns at year seven, the remaining period for which the loan balance has to be met would be five years. This will have to be looked at more carefully in the future to ensure that we get assignments over their salaries from their prospective employers. All of the present procedures will be examined.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: For the purpose of clarity, would the Honourable Member say if on some of these delinquent loans (which I am assuming were given for mortgages for houses) no charge was taken by the Government?

The Speaker: The Honourable Third Official Member.

Hon. George A McCarthy: Madam Speaker, looking at the list (which is the third page attached) there is only one case where a charge was not taken over the property. The reason was that the Government found itself in a very embarrassing position because this lady was working in a sensitive department in the Service and creditors were contacting the Chief Secretary's Office and also the Personnel Department (it is the name of the second person appearing on the last list). The then Chief Secretary, the Principal Secretary of

Personnel and I met and came to a decision where it was felt that to save further embarrassment (especially with the financial industry) that assistance should be rendered. A report was put to the Public Service Commission regarding the activities of this person.

This is the only person's name I see on the list that I do not believe we got any security other than the likelihood of a life insurance policy that would be assigned to the Government.

The Speaker: First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. Would the Honourable Member give an undertaking that in cases where persons hold mortgage loans and then leave the Civil Service that the outstanding balance must be settled within three months after leaving the service? It strikes me that what this does is deprive other civil servants who are loyal from getting mortgage loans because there may not be enough money in the pool when they apply. I think the requirement should be that the outstanding balance must be settled within three months after their departure from the Civil Service.

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: I, for one, would be very happy if that suggestion could be enforced. We can see that some of the balances on the lists are quite substantial. Unless we can get the cooperation of the prospective employers of these persons, I do not think they would be in a position to pay off these loans. It is likely that the institutions where they would be going to work would have to give them a salary advance in order to settle these outstanding balances, or other arrangements would have to be made with their existing banker. This is a consideration that will be employed.

For practical reasons it may be better for the existing arrangement in place to continue. But what we are going to try to do in these instances, instead of allowing arrears to run for years as has happened in the past through being lenient, we will allow a period of six months. This will be one of the measures that will be considered, and wherever the loans are not being serviced we will seek the cooperation of the principal mortgage holder to either enforce the lien or take over the obligations that are outstanding against a second charge.

The Speaker: That concludes Question Time for this morning. Government Business. The Fourth Elected Member for George Town continuing the debate on the Throne Speech.

GOVERNMENT BUSINESS

DEBATE ON THE THRONE SPEECH DELIVERED BY HIS EXCELLENCY MR. JOHN W. OWEN, MBE, GOVERNOR OF THE CAYMAN ISLANDS, ON FRIDAY, 16 FEBRUARY 1996

(Continuation of debate thereon)

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

When we adjourned yesterday afternoon I had about concluded my contribution regarding the Royal Cay-

man Islands Police. To finish up let me summarise by saying that I feel it is very important that serious efforts be made, and innovative methods used, to Caymanianise the Royal Cayman Islands Police Force as much as possible.

Going on to the Prison Department: This department has had its ups and downs over the years. I noticed in the Throne Speech that His Excellency referred to staff and inmate training and welfare programmes, and he said that these programmes will remain high priorities. We have spoken on many occasions in this honourable House (before my time and since my time) regarding inmates and what becomes of them after they serve their sentences. I understand that there are some moves afoot to try to put in place a system whereby job placements and follow-up service can be provided for these individuals in order for them to be able to come back into society and become productive citizens.

It is obvious that the thought process here is to try to lessen and minimise as much as possible the number of repeat offenders. While I have a limited knowledge, and I accept that, I am not convinced that at this point in time enough emphasis is placed in this area. I know that discipline and order have to be maintained, and I do not suggest that Northward Prison should be run as a hotel. But I do believe that the majority of prison terms are not indefinite, and it is obvious that persons who are serving sentences will be released. I think emphasis should be placed on ensuring that these individuals are able to fit back into society upon release as best as is possible. Specific training programmes need to be identified. I believe some of these programmes are going on, so I am not suggesting that nothing is happening. But I do not think it is possible to put too much emphasis on this.

There also needs to be education among private businesses and the public sector. While I do not condone wrongdoing, if a stigma becomes permanently attached to someone who has erred, and who had to pay the price by serving time in prison, and the public at large simply writes that person off, then the truth of the matter is that we may as well become a police state and have all types of severe and extreme punishment for any criminal activities.

I accept that in the majority of cases it is of their own volition that they commit these crimes. If the individuals who have paid the penalty for these crimes are outcasts, the chances are that nine out of ten (if not ten out of ten) will simply revert to the way they were before, because they see no light at the end of the tunnel and they see no future.

It is difficult, because not many people will say, 'Well, I chose to hire an ex-convict', but we should be prepared to take the chance and do the best we can with by hiring these people to ensure that the risks are minimised. We need to consider that very seriously. That does not exclude the Government.

I know of a specific instance where an individual was hired by the Government. He did not hide the fact that he was an ex-prisoner, but the system did not call for those facts to be outlined before the person was hired. Because of his past record (not for murder or anything like that) of something that happened perhaps five or six years ago, the Government simply laid the person off when it was discovered. Now, that is perhaps warranted by them, but my mind tells me that this is not a good example set by leadership.

Without going further into that matter, I think it is very important that we examine the situation. It is not some-

thing the Prison is responsible for by itself, there are many attached services. I have had conversations with the Minister for Health, and I know that the Cayman Counselling Centre is making strides in dealing with drug counselling there. I wish to ask that as much emphasis as possible be placed on these programmes. We are not going to win them all, but we can win as many as we possibly can.

Moving on to the Department of Immigration: First of all, let me say as gently as I can that I have never claimed to be someone who is going to clean up the Immigration Department. I have a lot of respect for the individuals who work there, and I realise the strain under which they continuously work. But I believe that there is a lack of policy directives in certain areas. The main reason for that is because those areas are very sensitive and delicate to deal with.

I do not have to dwell on the Cuban crisis - hopefully it has been put to rest and we are moving on. The costs absorbed were not nice to think about or see, but that is a part of life and we have to go on and learn from those experiences, and hope that we do not have to face issues like that in the future.

My contention with immigration has nothing to do with the department. I have spoken on this issue on more than one occasion. I have accepted, by answers given to Parliamentary questions in this sitting, that there is a bit more tolerance being exercised in the one area that is my pet peeve, but horror stories continue to prevail.

There are many people living on this island who have been here for the greater part of their lives, and are (what I used to hear them called in the olden days) "no-whereians". They have nowhere to go, not because Cayman is a good place to live, but they have no other family connection anywhere else. If they visit the land of their birth they are given a week to travel, but they are not considered to come from anywhere.

While it may not be considered the responsibility of the Department of Immigration or the Portfolio responsible, I believe that many of these individuals simply do not pay attention to this serious situation until somebody suddenly says, "You are an over-stayer."

They will say, "But I am 22 years old, and I have been here for 21 years of my life."

"I do not care, you are still an over-stayer."

That is still happening. Again, like many things that are wrong in life, we do not necessarily find a person to blame for the situation. I am airing this situation because I believe it is high time the country found a method to harness all of these people and decide who the country is prepared to accept and do what has to be done. If the country is not prepared to accept some of these people, then let them know.

Without being too blunt, Cayman is no different from anywhere else, and it is obvious, simply by statistics, that the birthrate in any given nation is highest in the lowest income bracket. We are no different here. Many of the situations I speak about are multiplied because of what I have just said. I know that sometimes when certain situations face the people in the department they look up to God, and say, "Why me Lord?", because they do not know what to do.

It is not an easy situation to deal with. We have on the one hand the cry from certain sectors of the population about being overrun by foreign nationals. We have on the

other hand the private sector, the entrepreneurs, the small business people crying for work permits because they need help. Again, I know that is a balancing act. It is a tough one, but it is my contention that if because the situation is delicate it is not dealt with head on, it is only (like everything else that is a problem) going to multiply if left alone. Human nature being what it is (and I certainly do not claim to be an exception), whenever there is a problem that we can avoid dealing with and it does not mean that life ends, we are going to put it off. We have all been in that situation at some time.

This has been going on, and on, and on - forever! As time passes it multiplies and gets worse. Each time we thinks about it it gets harder to think about, so we would rather think about something else. When it blows up in our face... I will have to face it too, but I will know that I wanted to do something about it. This situation is not one that is isolated to an elected government, it is not one that is isolated to an elected representative from a specific district, because they might have less of it to deal with or more of it to deal with, it is something that has far-reaching ramifications and none of us will escape it when it blows up. I refer to it simply as the "us" and "them" syndrome.

I still contend that it does not have to be a problem with which we can never deal because of its magnitude. Whatever approach is taken to deal with it, there are going to be some hard decisions to be made. But I believe that if natural justice, fair play, and concern for the country are the basic ingredients for the thought process, we will get the best answer possible. There is never going to be a situation where we are not going to find an individual who is faced with a problem that we cannot solve with a policy. What we cannot continue to do is because we know this one, this one is all right, we are going to take care of this one; but that one we do not know, and we do not hear much from that one so we can leave them where they are. It is not going to work. This is something that I could probably repeat myself by bringing up different examples to make the point. But it is something (election votes or not) that is going to cause us so much trouble in this country that if we leave it alone one of these days we ourselves will be wondering where else we can go.

I do not know about anyone else, but my backyard is full of fruit trees, and I really have nowhere else to go, and I would not want to go anywhere else. It is a serious issue and because it is a cancer and not a heart attack (which kills you right away), it is left alone.

I noticed in the Governor's Throne Speech under 'Information and Broadcasting Department' the wonderful idea of the amalgamation of these two departments has not worked out to be such a wonderful idea at all. I can only say that I hope that those who understand the difference in the operation of these two departments will allow them both to function and give them the support they need.

I also understand that the Government Information Services is going to be needing a new premises because it seems that the building (which houses Radio Cayman) cannot accommodate them. I look forward to seeing what is going to be done regarding putting GIS back on its sound footing and allowing it to function.

Next is District Administration. The lady Member normally teases me about being a "Bracker" and I tell her she is a "South Sounder." On a serious note the Sister Islands (Cayman Brac and Little Cayman) have had their

share of problems. I am probably a typical example of what has gone on in Cayman Brac especially, over the past 30 years because of the lack of many things. The order of the day was to hold home dear to home, but move on in order to better one's self because opportunities were very limited. Today there is not much difference.

The First Elected Member for Cayman Brac and Little Cayman, in his usual style, made some valid points regarding incentives and things that could be looked at to assist the Brac. What is happening is that because of the topography, Little Cayman has a lot more beach and, while not being heavily populated, it is developing in its own right. There are a lot of land sales going on.

It is important that planning procedures or regulations (and the First Elected Member for Cayman Brac and Little Cayman did mention this) for construction and such things not be left to everyone's will and volition, where we end up with low quality structures that are not esthetically pleasing to the eyes.

I have also had a cursory look at the proposed plan for the marina for Cayman Brac. I do not know all of the facts, but I think that by way of information received it is acceptable (that there be no damage, or potential damage to the land, because of its location) it is a good incentive.

There is a retired gentleman who, like myself, is from the Brac but has lived in Grand Cayman for many years. He owns a home in Cayman Brac. He told me that it is his belief that if the proposed plan were to become a reality, one-third of Grand Cayman's population would be over on the Brac just about every weekend. He might have exaggerated to emphasise his point, but I do believe that once it is done properly, it can be something that would boost the economy.

The Member also called for the extension of a National Roads Plan to include Cayman Brac. I will discuss that later on, Madam Speaker.

I, too, would like to urge the Government to go a bit further to try and lend as much support as possible regarding what can be done to attract tourists, and what can be done to create jobs. But in order to create jobs we have to create business. So perhaps there could be some type of incentive that could be looked at.

I feel the urge to tell the Honourable Financial Secretary to say that the first 1,000 companies registered in Cayman Brac would get a special rate for registration... But I know that when he compares that with what we have in Grand Cayman it might not be conducive. I throw that out because we can never tell what side of the bed we may wake up on any given morning.

On to Personnel, Training, Management and Computer Services: I was pleasantly surprised, and happy to hear other Members of this Honourable House singing one of my songs on upward mobility. If we check the Hansards there are at least seven occasions in the past three years where I spoke in this House about training and upward mobility. While it extends all the way into the private sector, I hold the view that the Government of the Cayman Islands must lead the way by example. I wish not to say that nothing is being done in this direction, but as I said about the Prison, I do not think enough can be said about putting emphasis on this topic.

I have always held the view that individuals need to be identified, they need to know where in the Service they

can go once they have acquired certain qualifications and have performed in a certain way. I contend that once the majority of these individuals know that is the case, they will rise to the challenge. I do not believe that this is the case now.

I understand that there is dialogue going on between the Education Council and the Personnel Department. On so many occasions I have heard of people going off (not people who were in the service before, but sometimes them too) for additional training or to acquire higher educational standards, coming back with no place to go.

I remember that during the Budget Session it was explained that there were a few supernumerary positions (I think that is what we call them) created to accommodate returning graduates until they fit into the stream of things the way they should. That is sensible. But it is all to do, as far as I am concerned, with the long term. From what I have read and understood the term is 'succession planning.'

Unfortunate, but true, people suddenly die, problems arise and people suddenly leave the Service. Not to become personal at any point I will not use any example, but I can think of three recent situations where because of the displacement of certain individuals it is more than probable that at the end of the day someone will have to be recruited from overseas to fill the posts. Those posts were vacated by Caymanians. My nature is not to drive the nail into the coffin, I simply wish to make the point.

I know that what I have just said is factual and irrefutable, and I also know that no matter what is said and done tomorrow morning the problem will not be solved. I also know that it can be solved, it is far from impossible. The bodies are there, the minds are willing; the potential is there, the ability is there, it is all a matter of planning. It is a matter of harnessing the energy in those bodies, identifying the line of succession, letting people know where they can go in the Service and providing them with the opportunities. I contend that in most instances nature will take its course.

Some people take a dim view when it comes to training, tertiary education and scholarships for individuals in the Civil Service. They say, "Why are we doing this when half of the time they leave and go into the private sector?" My answer to that is, at least we know we have one more trained Caymanian in the private sector. So the truth of the matter is, nothing is lost. Nothing, whatsoever.

With proper succession planning, whenever that odd occasion arises it is not going to be a big deal because there will be a person next in line if and when it happens.

The other thing that I believe will do well is the study that is now being done, which is almost complete, whereby all the jobs in the Civil Service are going to be evaluated. Performance is going to be the key for financial reward. I believe that if this becomes the order of the day (and I like how the process is being done because it is said that after the completion there will be a process of appeal so individuals who are not totally satisfied with the results can justify their case), it will not only increase the efficiency of the Civil Service, but once it is done properly Caymanians by their nature will strive to do their best and will find themselves well entrenched. With the potential of upward mobility according to their performance they will be quite happy to stay in the Civil Service. That can only go well for us.

In his short address on the elections, the Governor congratulated those people who conducted the last by-

Election in December last year. I think all those persons are capable, they handled themselves well and the Supervisor and his staff are to be commended.

What I am a bit disappointed about is the Voter's Registration Card System which was being touted. On more than one occasion between the last Election and now, I heard from various quarters that this was what was going to happen. I have no idea what the initial cost will be, but it is obvious that it will lead to a less time-consuming election and people will be more encouraged, once the system is in place, to exercise their right to vote. I do not think it will cost a fortune, but I believe it is something that needs to be looked at.

Unfortunately, we have this knack, because it is a little while from now, of leaving it alone. Then, all of a sudden, 'a little while from now' passes and it is 'now'. Oh Lord! We do not have time to do it. A lot of things happen like that. It is bad enough when we personally have those bad habits, but when it comes to running the country it is really not acceptable.

So without knowing all of the details of why this has not been done, whether it was not dealt with early enough, or whether it was not considered a priority because of the cost involved, I still believe we need to do it. Once it is done the continuing process does not become a very expensive exercise.

The Portfolio of Legal Administration: The Governor has said, for the present academic year . . . 28 new students enrolled and an overall enrollment of 54. That is very encouraging, but I know that there might be a problem within the legal environment in these islands regarding these students being able to find a place in that field upon graduation. I cannot comment too much on this because I really do not know the answers. What I will say is that it is obvious, from the Caymanians who have become legal practitioners, that our Caymanians not only hold their own in the legal profession, but they can also excel. So I trust that it is being looked at carefully to ensure that as more local lawyers come on stream, they are not ostracised because of the entrenchment of others. This is not something that may face us overnight, but if left alone (like a lot of other things) we will have the lawyers striking too. We do not want this to happen.

I move now to the Portfolio of Finance and Development. I see where there is a proposal to review and revise the Public Finance and Audit Law, the Financial and Stores Regulations, and there is going to be an established Cayman Islands Stock Exchange and an Integrated Financial and Manpower Information System. The Cayman Islands Stock Exchange Bill will be coming to us in this sitting, so I do not need to address it at this point in time. But I think it is very timely for the Public Finance and Audit Law and the Financial and Stores Regulations to be reviewed and revised.

One of the two issues I wish to bring to the attention of this Honourable House is the 'Medium-term Development Plan' which was done by the professionals in the Civil Service. Without the benefit of having it in front of me (because it has not been tabled) it is something that I cry out for in my mind when it comes to the operations of Government. In every area that we look at, if we look without prejudice, we can find the lack of any type of long term planning.

It is my understanding that what is being prepared now is the third attempt at a Medium-term Development

Plan. It might well be prepared already; I am not 100% sure. I simply refer to questions answered in this Honourable House, and also part of the delivery by the Honourable Financial Secretary in his Budget Address. What became of the first two? I do not know. Why have they not been utilised? I do not know. It has been said that this new plan will be tabled shortly. I hope it is, and I hope it is adhered to because I have every confidence that the people preparing such a document know what they are doing.

The term 'Medium-term Development Plan' may seem generic, but I venture to say that if and when we take a look at it, specific situations will glaringly stare us in the face. Again, because it is not easy to deal with, we tend to push it aside as long as we can until we can do no better. So I look forward to seeing this Medium-term Development Plan. I also pray for the mercies of God that it does not just sit on the Table and fall by the wayside as so many other plans similar to this one have done in the past. I cannot stomach what somebody else does because I need to do it too. I say no more on the matter.

The other situation that I wish to address is the general reserves of this country. On several occasions in this House I have spoken about it, but before I say what I am going to say about it, let me preempt it by saying that I know that when I am finished somebody is going to say, "Well, on the one hand he is calling for this and crying for that, and on the other hand he still wants us to save money." Let us return to home: we have 1,000 wants daily whether it is for ourselves, our wives or our children - everybody wants something all time. Those who control the funds have to temper those wants with needs, and also put up for a rainy day. Fortunately (or unfortunately) where I fit in right now is with the person who wants. But I understand how it is in reality and I am able to talk about the other side of the coin.

In the last Budget Address, the Honourable Financial Secretary said that **"the Government plans to place between 3 and 4% of the annual recurrent revenue into General Reserves."** So many times something is said and a decision is made. Then something changes afterwards. I no longer believe in words. So I call on the Government that during the review of the Public Finance and Audit Law to put that in legislation. If it is put into legislation it has to happen. If it is deemed necessary to touch it, then let them deal with the legislation. At least the country would be 100% sure that nothing can happen without everyone knowing. If legislation is in place to undo it we have to have more legislation.

I hold that view as close to my heart as I can get it right now. There is nothing that could change my mind about it. Let me say this: God has blessed us tremendously, and we have not had the ill-fortune of extended periods of want in the nation. When you have what is called 'depression', and we have had bits and pieces and a little taste of it, people in this country have no idea what it is like today. Those who lived it prior to the great success story will by now have memories that they do not want to think about it. So even they are not used to that. We do not know what lay ahead in the future for us.

One might say that it is just a nice idea. Let me tell you the reality of it. If (by forces over which we have no control, or by the twist of fate which we know nothing of) we run into a problem with the two main pillars of our economy (either one of them or both depending on what the occasion is), I would not want to talk about what would be facing us in

this country. Ninety-five percent of the people in this country have based their entire existence (and I do not blame them for it, really) on their present earning power. If something happens to us, God help us.

That is one reason for General Reserves. But it is not the only reason. Whether some of us are willing to say it or not, or whether we couch our words or push it to the side, if this country is ever going to catch up with infrastructure it is going to have to engage in sensible long-term borrowing. Even if somebody gets up after I speak and finds reasons to say that is not so today, they are either hiding the truth from themselves or... 'forgive them Father for they know not what they say.'

General Reserves, if sensibly built up over a time, would be used exactly as people use their savings. It affords us a lot more leverage, it affords us to be able to borrow. Simply put, it gives us credibility not just by word of mouth and a balance sheet, but by having money in the bank. So having said that I will wait to see whether or not my idea is taken on board, or whether it seems to be farfetched and outlandish.

There are other areas of finance and development which I could speak on. I would just like to make brief mention of the Estimates and the Annual Budget, and sincerely hope that accompanying this Medium-term Development Plan will be some method to employ the preparation unit whereby we do not have in the budget for this year what the estimates are, then for next year what the projected estimates are what we want to see for next year. By the time we get to next year's estimates and compare the two they are like chalk and cheese.

I can live with whatever criticism comes my way about that. But I firmly believe that when it comes to spending the country's money we do not get anywhere near the value for the money we should because it is spent in a reactionary fashion. It is not spent in a planned fashion.

Let me say what I compare it to. I compare it to a big road crew operating in East End and they are in the middle of an operation which they have about five days left to complete. There is a minor job in West Bay to do and someone calls and says "Look, stop what you are doing up there and put your manpower in place. Get your equipment down to West Bay and do that job now. Then when you are finished you go back to East End and finish that job." The lesson is simple: Allow completion of what was started, mobilise the crew one time, take them down to West Bay and get them to do the job. We are saving time and money.

I am not speaking about any one area. I am speaking as broadly as I can - total, everywhere, any way we want to discuss it in the Estimates. I contend that if there is some type of plan that we are working toward, we know where we are heading. We are not saying that next year we are going to fix this and then when next year comes, "Oh, this one is hollering for that so we better deal with him now. This can wait for another year." We are just going around in circles.

Let me say that it is not because I do not understand why things like that happen, because the first thing that someone will say is, 'if you, Kurt, were in that position you would do the same thing.' All I can say is that I beg to defer because I am not in that position. But I know that what I am saying makes sense. What I am saying is not something that has been happening now. That is the difference with me. I can deal with it without talking about who did this

and who did that. I do not care about the who this and the who that. If Willie Jerushah was in here right now it would not matter to me. The point that I make is that we have to devise more efficient means to operate.

You know what else I believe? I believe that given the opportunity those who know how will do that. I am not going to say anymore about that.

The Speaker: Before you go on to another subject, honourable Member, could we take the suspension at this time?

Mr. D. Kurt Tibbetts: Certainly, Madam Speaker.

The Speaker: Before I announce the suspension, I propose to take the luncheon break today at 12.15 p.m. So I will ask Members to return to the Chamber in 15 minutes' time. Thank you.

Proceedings are suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.27 AM

PROCEEDINGS RESUMED AT 11.52 AM

The Speaker: Please be seated. The Fourth Elected Member for George Town continuing.

Mr. D. Kurt Tibbetts: Madam Speaker, when we took the break I had just finished speaking on the Portfolio of Finance and Development. I made mention of the Estimates. I remember one thing worth mentioning and it has to do with the meetings of Finance Committee.

Finance Committee is usually held on a quarterly basis, although a meeting can be called by the Financial Secretary whenever necessary. Very recently a question was asked in the House, and was answered thus, "...for the year 1995 some 160 contingency warrants were issued. The first meeting of Finance Committee for the year was held in the month of September." Notwithstanding the good reasoning for why Finance Committee did not meet before September, I wish to say that it is not an acceptable situation to me.

I know that the Government has to operate and I know decisions have to be made. I am not crying specifically for myself to ensure that I am a part of the decision-making process. But the truth is that as one of the representatives, at the end of the day I am held accountable for the country's money and how it is spent. Whenever Finance Committee Meeting does not take place and contingency warrants have to be issued, in actuality what happens is that the Finance Committee simply becomes a rubber stamp. So, I would like to state for the record that in the future, whatever has to happen, Finance Committee should meet regularly in order for the spending of the country's money to go through due process as it is outlined and as it should happen.

One can argue the point that if contingency warrants become the order of the day there is really no need for Finance Committee to meet. Inasmuch as one might get angry and say that I am not voting for this or voting for that, when bills are incurred by the country no one in his right mind is going to say: 'I am not going to pay them.' So I would not plead, but state again that this is unacceptable.

I cannot remember on any occasion since being a Member of this Honourable House that when Finance Com-

mittee met, Members (including myself) were given any more than three days' notice. Members still came to meetings whenever they were called. So I do not find an acceptable situation whereby it is said to be impossible to find a right date when Members can meet.

Mr. Gilbert A. McLean: Hear, hear!

Mr. D. Kurt Tibbetts: One might really think that is just picking for the sake of picking. I also happen to know (and I do not want him to even make any expression on his face) that that inhibits the Financial Secretary in his operations. I know that is not the way his life is supposed to be. If Finance Committee does not meet, he is the one who issues the contingency warrants. So I really hope that we are able to operate in a different fashion in the future.

Madam Speaker, the Treasury Department plans to refine the system of forecasting the Government's financial position.... There has been much talk in this sitting, questions being asked and answered regarding revenue collection. As the Honourable Financial Secretary has stated 'there is to be a centralised debt collection unit setup within the Treasury.' That is taking place right now, I know, and within a short time it will become an active unit in that department.

I can only say that very delicate situations will occur, but as we all know Government has to function like a business. So I would hope that the Unit is put in place, the rules and regulations are set down, parameters under which it has to operate are made very clear and it goes on about its business.

Moving on to the Fire Department: There is not much to say about the department except that it is efficiently run. There are loyal people within the service and the chain of command is intact. The Chief Fire Officer has done an exemplary job in making sure that at least 98% of his staff are Caymanians (from all walks of life), not many of them with any high level of education, but they are all drawn in line and given proper training and are performing their functions exceptionally well. I think that it is commendable to know that proper training has been put in place for the majority of these young Caymanians. They have a career and they have all the self-esteem desirable for them to perform, and they do a good job.

The Ministry of Tourism, Aviation and Commerce: The restoration of Pedro's Castle and the support facilities that go along with it is on target. It is something that I believe will be a much enhanced attraction for the tourism sector. Although I do not know exactly how it is going to operate, I certainly believe that once it is handled properly it will enhance the diversity of the tourism product being offered.

I get these wild ideas sometimes, and I throw them out because I do not have enough facts to be able to make a case and say that what I am saying will work.... but, nevertheless, I will throw the idea out. There is always talk about the local work force in the tourism industry. Statistics show that probably about 70% of those employed in the tourism industry are Caymanians, and if we compare the chain of command at the various properties we will note that of that 70% employed who are Caymanians, about 95% are employed at the base level of these properties. That is not the worst case in the world, and there are two different ways of looking at it, because in every area we always strive for up-

ward mobility for Caymanians. There is always going to be the point where we wish to let the people of the country know that it is not a degrading job within the industry, and there must be opportunities given to those who enter the work force in that capacity to be able to get proper training and be able to advance. I will come back to that point, but I made it to say this: It is my belief that in order for Caymanians to feel almost a compulsion to look to the tourism industry as an occupation, we need to have the means by which we can prepare them so that they can compete for the jobs.

While we can argue that there are specific areas both at the High School and at the Community College where there are subjects relating to the tourism industry being taught, many of the individuals who find themselves without an occupation, and who are simply looking a job', lean toward the tourism industry because that is where most of the opportunities prevail. It is all a matter of numbers. There are (at a guesstimate) probably 2,000 people employed in the tourism industry, and it is said that one of the main ideas behind the development of the industry is for Caymanians to reap the benefits. This also will spill over into the work force. But for our Caymanians to reap the benefits in the work force they must be hired at the various levels to allow them those opportunities.

I contend that the Government should create more of a marriage between property owners and the entrepreneurs in that area so that the need for workers can be met with properly trained Caymanians.

Let me give an example. If we look at a waitress or waiter in one of the larger properties, whether it be restaurants on their own, or restaurants within the hotels, I venture to say that is where the tables are turned in that you probably have only 20% employed in that field as Caymanians, if not less. I do not have actual figures, but I know that I am not far off. The others are foreign labourers. I do not believe that we can expect the ordinary person who wants a job as a waitress or waiter to be able to simply walk in and ask for the job and perform all the niceties that it entails - it is simply not going to happen. A lot of our people do not realise the earning power that these people have because of tips and gratuities. Not only that, a lot of our people do not have the confidence in themselves (where they will not feel that they are in a demeaning situation) to be able to do such a task and do it efficiently.

The marriage that I am talking about is specific training in this area. Some of the properties are prepared to deal with on-the-job training, but because most of them are busy it is difficult for them to justify that training while they are open for business and earning their keep. So if some place like the Pedro Castle area had some type of facility created (and I say this not that it is tied to and has to be the Pedro Castle area, but I am not excluding it), whereby we would be able to operate it and the prices would be very reasonable, there are people who because of the attractive rates would utilise that facility. They would be fully understanding that it is a training facility and not everything would be perfect, there would still be acceptable situations whereby they could still come and have a decent vacation and the rates would be a little less. That seems to be something that is not acceptable at this point in time, but I have a longing and a lingering feeling that it would certainly enhance the chances of our Caymanians being hired to these properties.

I use the example of waitress or waiter, but it is not limited to that: the rooms have to be dealt with, there is front desk staff that has to be dealt with, night audit to take place. If there was a small restaurant facility we would have chefs and all the other ancillary jobs which make up the full package.

Years ago when I was going to school in Jamaica, there was a place called Casa Monte Hotel which was a training facility. A friend of mine used to work there and I would visit fairly often. The place was always active - totally active all the time - and because it was a training facility it did not mean for a second that people in training were not able to be presentable and acceptable. All that has to take place is that there be enough skilled professionals supervising the situation in order to make sure that life goes on; people get trained and fall in line.

Some people will say, 'Well, I do not think these hotels are going to hire the locals, because look at these flashy looking waitresses who come from abroad.' I contend that my local people can be made to act, look and perform as well. I also contend that the property owners would be happy to hire them once they are at an acceptable level.

The Speaker: Can we take the suspension at this time?

Mr. D. Kurt Tibbetts: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended until 2 o'clock.

PROCEEDINGS SUSPENDED AT 12.15 PM

PROCEEDINGS RESUMED AT 2.12 PM

The Speaker: Please be seated. The Fourth Elected Member for George Town continuing.

Mr. D. Kurt Tibbetts: When we took the luncheon break, I was talking about training in the hospitality industry. I suggested that a facility could well be put in place for training by Government in concert with those who are in the industry, the owners and proprietors of the various facilities.

Let me quickly make a few points to show why I think there is good reason for this. The majority of the industry which employs foreign nationals has to pay work permit fees, there are also repatriation fees and, in the majority of cases, they have to provide accommodation for these individuals - all of which would not have to be provided if Caymanians were in these positions. I think that without making any guesses at dollar values, this is a significant amount of money, especially for the larger property owners to be paying out on an annual basis.

If they were guaranteed that we had trained locals to fill these positions, I see no reason why they would not take advantage of hiring these locals. The truth is, I do not think it is a situation where there should be much room for discussion. The way the situation is at present, I do not think the country is in a position to make demands of these people because we cannot guarantee them that we have trained personnel to fill these positions.

Much of the argument about foreign labour coming from our locals is because they view these foreigners as taking away their jobs. If we had the vast majority of our locals employed, then whatever foreign labour was needed to

sustain the work in the industry would not matter to us because we would know that our own were taken care of. That is where the crux of the problem is.

I strongly advise the Government to meet with these people and make plans to pursue something of this nature. Having work-shops and seminars which last two or three days will not hack it. It is well intended, I am sure, but at the end of the day that is not going to prepare our people to fill these posts. If we are truthful about it, if the situation were reversed we really would not want to be hiring people who are not equipped to do the jobs because our efficiency rating would be lessened. We certainly would not have that many people returning to the properties because they would not have had great experiences. I think that the onus is on both parties.

While I believe that there may be inherent problems because of past experiences, I believe that if the slate is washed clean and a fresh look were taken at this view, I think the property owners would be receptive and would share in the cost. I am sure the other costs which they now incur would be lessened by their being able to hire locals, and that would balance the equation.

Moving on to a subject within tourism which is a bit more touchy: I wish to make a few comparisons with two documents which I hold in front of me. The first document is the Coopers & Lybrand Ten Year Tourism Development Plan; the second is the Tourism Management Policy Implementation Plan.

The overall purpose of the Coopers & Lybrand Plan was to provide a clear set of policies, strategies and implementation guidelines for the Development of tourism in the Cayman Islands which would continue to stimulate the economy for the benefit of the Caymanian people while preserving their heritage, culture and the environment of the islands. This document is very comprehensive and it gives in-depth understanding into the necessity of tourism management in the Cayman Islands.

I am going to make a few comparisons, but before doing so, let me quickly read a short portion of the 'Executive Summary' from the Tourism Management Policy Implementation Plan **"In 1992 Coopers & Lybrand Consulting undertook an extensive investigation of tourism in the Cayman Islands, and prepared a Ten Year Tourism Development Plan. The Plan was designed to aid Government and the People of these islands to fine-tune strategies to remain successful in the increasingly competitive global tourism environment. The Policies presented in the following document are for the most part based upon the findings and recommendations made by the consulting group. Where necessary, revisions have been made to reflect today's existing reality."**

Under the section of "Human Resources" in the Ten Year Plan it reads, **"Will be managed consistent with growth and the desire to involve more Caymanians in the industry: A primary reason for pursuing the economic development opportunities that result from the tourism industry is to provide Caymanians with job opportunities."** There were eight recommendations, but I am only going to quote two of them. One was the introduction of career planning; and another was equipping the people to reach a high level of performance through training. I think this is in line with what I was trying to say earlier on.

It goes on to say: **"As mentioned previously, those who benefit from the recommendations should also be part**

of the cost associated with those recommendations." So, this document also agrees with Government and the private sector sharing part of the load while both derive benefits.

The document also explains the reasons for training. It says: **"The concern by Caymanians is not the tourists who come to enjoy the resources and products that are made available to them, but rather the people who have employment in and who manage the industry. This concern is significant and it needs to be addressed so that it does not become a stumbling block to tourism growth in these islands."** Part of the growth management procedures imply training, customer satisfaction, human resources.

Madam Speaker, this entire document is pertinent, but I know that you are not very patient with quoting much, so I will not. I am sure that there is good reason for that, but let me say that in this document it says: **"Historically it has been shown that uncontrolled growth typically results in a degeneration of product and service."** It says: **"The resources which motivate tourists to come to the Cayman Islands must be maintained at a high level of quality."**

The Speaker: Perhaps I should say to the Honourable Members and Ministers that under Standing Order 32 (4) the provisions are: **"A Member shall not read his speech but may refresh his memory by reference to notes and may read extracts of reasonable length from books or papers in support of his argument."**

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

Having quoted those various excerpts from the document, I wish to make a few comparisons with the other document.

In its Executive Summary, the document (which is the document which is being used now) says: **"There can be no doubt that the tourism industry also creates social costs (e.g. traffic congestion). If properly managed, these should have minimal adverse impacts on the lives of Caymanians."** The various excerpts I have read from the Ten Year Development Plan addressed the need to pay attention to infrastructure and its ongoing requirements as compared to the rate of growth.

Tourism development is easily paralleled to the growth rate in the country. It has to do with the number of bodies residing in the country, whether they be indigenous or not. It has to do with the construction of lodgings and it is not something that can be separated from the infrastructural needs of the country. The Ten Year Development Plan has specific objectives dealing with infrastructure.

Nevertheless, the point that I wish to make about the Ten Year Tourism Development Plan with the portions that I have addressed is that they are as relevant today as they were in 1992. If we look at the document being used now, in my opinion it is nowhere near as in-depth a guideline as the Ten Year Tourism Development Plan.

Let me also say regarding the Ten Year Tourism Development Plan that the process followed in its production was specifically designed to include as wide a cross-section as possible of our entire community. Workshops were held both in Cayman Brac and in Grand Cayman. Many interviews were held by the consultants with the hoteliers, the retailers, bankers, taxi drivers, airlines, cruise lines, lawyers, accountants, legislators, civil servants and many others. The plan was not a Coopers & Lybrand plan. They simply collated and coordinated all of the information.

It is my understanding that the individuals directly involved with the preparation of this plan exceeded the figure of 300. Strategic Planning is something which is being used in other Ministries..., and I do not have a problem with strategic planning, it involves a lot of professionals in the various relevant areas, but if this plan had input by all the people representing these various sectors, then how much different a strategic plan was it from any other strategic plan?

What is happening now is that in the document being used they are now going from district to district meeting with people. I do not know how much participation there has been so far, but the question that I would ask (and I wish for the Minister to address) is: if this document is based upon the findings and recommendations of the consulting group (namely, Coopers & Lybrand), I would like to know where are the revisions which have been made in this document, as compared to the other to reflect today's existing reality?

I do not claim to have the best understanding, but I have gone through the documents (and it might be said that I am not looking for it, but I am willing to be proven wrong), and I do not see where the vast revisions have been made. I would like to know what those revisions are so that I can fully understand it all, and so that I can get a real good grasp of this document's increasing relevance as compared to the other document.

The other thing that the Ten Year Tourism Development Plan addressed in great detail was how all of the plans were going to be accomplished. The Tourism Management Policy Implementation Plan is skeptical, at best, with these details.

If it is the Government's position that what 300-odd people put together, and decided was the course of action the country should take, is unacceptable, then my understanding is that the consultants have now been brought in to tell us what is acceptable. If that is not the case, then I simply ask what was unacceptable about the various implementation plans that were part and parcel of the Ten Year Tourism Development Plan?

There will be answers forthcoming about these documents, and I have exposed myself to those answers for good reason. What I can only hope for, when the bulldozing is finished, is that the consultants will pay credence to the Ten Year Tourism Development Plan in whatever they are going to put forward for this country. The Ten Year Tourism Development Plan literally addressed what everyone who lives in Cayman understands as regards the problems that we face and the things which have not been dealt with, even though we are enjoying good growth rates and figures for tourism.

At this point in time I am not questioning what is happening in the Department of Tourism or their marketing strategies. I am not suggesting for a minute that these strategies are not workable and not doing the job. What I am talking about is the long-term possible negative effects that will naturally occur because of this growth and our lack of will to deal with it before and during the fact, and not after the fact. We are no longer before the fact, we are now during the fact.

I do not know if the thought of the day is that I should not have to deal with something that is not mine. But if I were operating a successful business, and I dropped dead and someone else took over, if the business had been

successful it could not have been all bad. Certainly, new blood can bring new ideas and new innovations, but I would think that the sensible thing would be to enhance what exists and not to have to start from scratch again.

The view will be taken that because the Tourism Management Policy Implementation Plan is basically extrapolated from the Ten Year Tourism Development Plan, that the first document is no problem. But just by sheer size alone, it is obvious that the document prepared in 1992 has much more information than the new document. I can only surmise that all of the information that was left out and not used in the new document was unacceptable. That means that 300-odd people - many of whom were professionals, and others who had been in the tourism industry for some 30 or 40 years - really did not have any idea what was going on. I guess that is left to be seen. I am very curious to know what, if any, are the revisions made in order to reflect today's existing reality.

The last thing I note about this document, The Tourism Management Policy Implementation Plan (which is the new document), is that out of 40 pages the only place I see where it addresses to any degree at all the infrastructure, is on page 2 where it says, under the heading 'Purpose': **"It is designed to: Provide an approach to tourism development, including related infrastructure and recreation facilities and services for visitors and residents that are appropriate to the purposes and the land capability of the areas in which they are located;..."** That statement is fine, but it just related to infrastructure by the by. Whether a different Minister is responsible for looking after infrastructure or not, the two cannot be separated. Whether someone else is responsible for making sure that we keep up... In fact if we look at the responsibilities within the Ministries there are other Ministers who would be involved in infrastructure - just about all of them. I know that everyone has their own responsibility, but they all overlap; one cannot separate dealing with the area of tourism and doing everything to ensure that the quality and the numbers are right without dealing (at the very same time, not afterwards) with infrastructural needs.

One of the things that was recognised when the Ten Year Tourism Plan was put together by Coopers & Lybrand (and they called it a national tourism committee I suspect it no longer exists), was: **"The national tourism committee is envisioned as elevating and creating a prime focus for the tourism industry. It is composed of the Members from the four Portfolios [in 1992 there were four Portfolios] thought to be the most important for tourism development. By having the four Members of those Portfolios 'linked' to a common goal (that is, tourism development), it is felt that the needed profile for the industry is created."** The four Portfolios identified were: Tourism, Aviation and Trade, Finance and Development, Education, Environment, Recreation and Culture and Communications Works and Agriculture. They are all in different names now, but the point is that with long range planning we cannot be dealing with one aspect without the other.

As far as I am concerned, this new document singularly and solely addresses providing the best product possible to invite as many tourists as possible to these islands in order for tourism to enjoy good sustained growth. So it is not my point to say that the document has no value; my point is that the document is isolated to all of the good things which create the good numbers at the end of the day and the document does not in any meaningful way address the other

areas that must be dealt with when we are dealing with this matter.

As I said, I hope to understand where the changes have been made to relate to the order of the day.

Moving on to the Ministry for Health: The Minister in his contribution yesterday outlined in much detail the activities of his Ministry. He talked about the new facility which is underway. The area that I wish to quickly address is health insurance.

On more than one occasion I have asked the question in this House as to when a National Health Insurance Plan would be proposed. I am happy to know that it is in the works. But as I have talked to some people I also recognise that there are some inherent problems which must be dealt with. I understand and accept the view that there are many areas which may not be initially addressed, and will only come with the plan being utilised and experience showing where changes have to be made. But I think that there are some basic ideas, and I am sure the Minister will ensure that those who are dealing with this document will have a look at the problems.

A simple problem that comes to mind (which I have heard) is that if you are hiring an individual to do a specific job which might only last for a few hours, there are certain things which have to be ensured regarding health insurance. I do not know how matters such as that are going to be dealt with, but we cannot have it so that while it serves good purposes in one way it also inhibits people from doing their daily tasks in another way. Those are things which need to be addressed.

I wish to briefly touch on Mental Health Services. On more than one occasion we have talked about this and, unfortunately, it is always something that is not very nice to have to talk about because we do not wish for people to be in that condition. But the truth is that they do exist among us.

I understand that a consultant is being hired to conduct a review of the Mental Health Programme with a view to improving existing services and identifying areas where expansion of the present programme is required to meet the growing needs of those patients with mental health problems. What I do not see here is any mention of facilities to house these people.

It is a problem, I know, but we do need some type of facility to house these people no matter what type of services we offer. When we walk through George Town we see some of them. There are some of them who are kept in and the whole family's life is just about nonexistent because of the situation. It is just one of those hard facts of life that we have to deal with. I really hope that in the big picture of the new Health Services facility that this situation is looked at.

Moving on to the Ministry of Education and Planning: The Minister for Health mentioned yesterday about working in conjunction with the Ministry for Education to ensure that drug abuse prevention, education and exposure to the problems of drug abuse, is made known at the primary level. I have said in this Honourable House that I believe it is not something that we can wait until the age of adolescence to make part of the curriculum. I am happy to hear that both Ministries are working toward this goal.

We cannot do too much in this area because while it will not cure all ills, education is certainly the best weapon that we have to fight that scourge.

There is a specific item which I have to deal with and it comes under the Ministry of Education and Planning. It is something that was mentioned by the Third Elected Member for West Bay regarding the basketball courts at the George Town Primary School and the deplorable condition they are in because of broken glass and bottles on them. The Headmistress at the school has not allowed the children to use those facilities out of fear of their getting injured.

I wish for him and for others to know that on a prior visit to the school (probably about three or four months ago) by George Town representatives, the situation was brought to light. The Minister was there, the Chief Education Officer was there, and it is my understanding that there is communication between the Ministry for Education and the Ministry for Sports in dealing with the situation. So, as deplorable as it is, it is not a situation that is unknown and I daresay that the people who are responsible for dealing with it may have something to say about it themselves. But mention was made, the concern was raised, and it is in the hands of others.

I have some concerns with education, especially for my district. I understand, from a question answered in the House recently, that the problem of overcrowding at the entrance level in the two primary schools in George Town is a problem that is now understood and being addressed. I come back to my song and my chorus about long term planning. I am certain the Minister faces problems on a daily basis regarding education, not just in my district, but in others. I would hope that some type of long range planning for the physical structures is dealt with. The Estimates of 1996 for the various improvements and additions to the schools, but let me just make the point by saying that the George Town Primary School has to have physical upgrading, it is becoming over-crowded again. It was unbearable before the Red Bay Primary School came into being. Now both schools are bursting at the seams.

We again refer to that juggling act, where priorities are concerned, but I am sure that the Minister understands and accepts that education is hardly anything that one can put second in line.

The Governor mentioned that the "...capital works programme will continue. The building programme at the Red Bay Primary School will continue with the addition of a multi-purpose hall." I see no mention of the George Town Primary School. For those who have a feel for both facilities and who go there and see the children as they are in the classrooms, see that it is tolerable right now. But it is obvious that with the increase in numbers in the space of two or three years, we are going to be facing the same problem in another year or two. It has, in fact, already started to occur, and stop-gap measures have been put in place to accommodate the children. But it is only going to get worse and I hope that we do not have to be fighting each other over what should have taken place when we find ourselves with dozens of parents complaining about not being able to find space for their children.

I understand the Savannah School is slated to have two classes for each year to accommodate just about the same number of students again. It might do well to consider the same thing for the Red Bay School, although there will be need for physical structures there. Short of that, I think we will be looking at a new school.

It is not something that we can sacrifice anything for in this country. We must be dealing with the situation expeditiously. In passing conversation with one of the senior officers in the Department of Education, I heard that it is recognised that long range planning has to be looked at. I trust that it will be, because it is going to be disheartening if it is not done and we end up with a situation at the George Town Primary School like we had four or five years ago where the children were literally sitting on top of each other. I hope that we do not have to face that situation again.

In this sitting the Minister for Education (who is also the Minister for Planning) alluded to the fact that the review of the Development Plan will not be completed until 1997. I understand the problems that he faces with the objections, and the various tribunals that have to hear the objections to and complaints about the proposed Development Plan. But, God forbid, having gone this far, it ends up like the other attempts made prior to this. One of the most important aspects of the Development Plan Review is the road corridors which have to be recognised, accepted and put into place. I will talk about it later on when we deal with roads, I will make the point about the corridors. While individuals have their fusses, I hope they can be resolved as amicable and expeditiously as possible.

One of my main concerns with the Development Plan Review is the establishment of these road corridors, because that again is an area that we have to look at and make serious long-term plans in order to be able to create proper land use as the country develop and in order to prepare for the future rather than the future preparing for us.

The item in the Governor's Throne Speech is the Ministry for Agriculture, Environment, Communications and Works. Firstly, I want to touch the Post Office. The Governor has said that **"the Post Office will continue to improve its operations and services to customers."** Other speakers before me have mentioned the vast improvements in recent years; the customer services facilities have been greatly enhanced, the ambiance inside the building has been greatly enhanced and staff morale has been very high.

The lady who was very instrumental in this achievement is one of the few people whom I have seen in a leadership role being able to use discipline to raise staff morale. That is a feat worth mentioning. I know a lot of the members of staff at the Post Office. I speak to some of them quite often. For about the last one and a half years there has been a tremendous change in their outlook and there have been vast improvements in their output. The unfortunate events which have recently occurred leave me very saddened. I am not so sure whether it is totally in order for me to talk about this matter at any level, but I will say this: I am saddened to see Miss Corrine Glasgow no longer being the Postmistress General.

To take politics out of the matter, because it really has nothing to do with politics. I understand quite clearly that the events which led to Miss Glasgow's not being the post holder anymore has nothing to do with politics. I think that the unfortunate series of events which have taken place have left us with a lesson. Like the lady Member for North Side said in her contribution, I sincerely hope that there is some way to resolve the matter and let us get on with Miss Glasgow's being at the helm at the Post Office.

Those who work there would be very relieved and happy. The Civil Service would be enriched by her presence.

With some knowledge I am convinced that this is one of those situations where no one, from the top of the Civil Service right down, wishes to the Miss Glasgow not remain in the Service. I believe she wishes to continue her duties. So whatever the barriers are they must be able to be climbed. While the issue at this point in time may seem to be a dead one (I think everybody has had a little bit of a breather), I sincerely hope that those who have to be directly involved in the process would take it upon themselves to sort out the matter. This is not a situation where anyone wants to be rid of anyone. So I hope the matter can be resolved.

Nevertheless, during the days and weeks to come I guess we will see what happens regarding that matter. I have a situation here that I am forced to speak about under the Department of Environment. On national television this morning there was a situation brought to light regarding the new compound for the Department of Environment in the North Sound.

In an answer to a recent question I asked of the Minister responsible, he outlined that planning permission was refused for one of the buildings on North Sound for the Department of Environment and he listed the various reasons why the Central Planning Authority refused the application. The other building was approved and is nearing completion, but the Central Planning Authority which by law is bound to pay credence to the concerns of the citizens of the country had a problem with approving that building. In the answer the Minister went on to say, **"No vehicle maintenance would be carried out on the site, the only thing that would be done would be calibration testing of three fogging machines."** Specifically, he said that **...there would be no storage of fogging chemicals on the site."** Now what was on television this morning showed various drums which had been placed on the same site and the labels on the drums read: AUTO DEBRUM-14 CONCENTRATE (which is an insecticide). Without reading all the details of the label what it talks about is very harmful to children and is dangerous.

The Minister has spoken to me about this matter and having raised this I wish to let it be made clear that the people of that neighbourhood who have raised concerns (they, too, have their rights) are not a large number of people, but as one of the representatives for the district I also represent them. I know that the other representatives for the district are very concerned about the situation. The truth of the matter is that fate has a funny way of manifesting itself sometimes. These people have been raising concerns about this building and how they see it affecting their lives. For many months they have gone through the entire process.

The Central Planning Authority has decided, based on arguments put forward from both sides, that it is not in the best interest to allow the building to be constructed. I know that the Department must get on with its business, but when conflicts of this nature arise it is incumbent on Government to be super sensitive to the concerns raised by individuals who have built their homes, who have just about everything they own invested in those homes, and they are living right next door to the proposed building.

It could be argued that there are other industrial-type operations going on in the vicinity. But whether one wants to debate the issue or not, the concerns raised by these people (especially with what transpired recently), have proven to be genuine concerns. I do not know what is going to be done about it, and I do not think there is any satisfac-

tion to be gained by those individuals unless we find somewhere else to house the facility. The Appellant Tribunal will decide based on what is presented to it.

What I have brought to light here (which is probably known by everyone by now because of the television coverage) needs to be addressed by the Minister. I do not think for a minute that the Minister knew about the situation, otherwise he would not have committed himself by saying that this type of material would not be stored on site. However, while the Minister did not store it on the site, someone else did. We will see what the explanation is.

When you speak to these individuals who live in the area most of them have been there for over ten years, some for fifteen years going on twenty years. It is really hard for them to have to be dealing with this situation after all those years. I sincerely hope that something will be sorted out regarding the situation.

There are a few areas of concern that I have dealing with the Public Works Department. I am sure that the other representatives of other districts are (not attacked, but close to that) approached on a daily basis about roads. For the district of George Town, specifically, when the Public Works Department did a survey and costing regarding upgrading, fixing and maintenance of roads a few months ago, it was estimated that the areas that they covered would cost in the region of \$5 million. The amount which we have in the Budget to operate with this year is \$238,000 - less than 5% of what is needed. That gives a good picture of what we are up against.

If Governments before had dealt with the situation we might not be faced with such an acute problem as we are now. But I am sure we all understand that no-one here can turn back the hands of time. The fact is, this is a problem we are facing now. I am only talking about George Town, the district I represent now, but will quickly go into the wider parameters. There are large subdivisions where pot-holes are easily the size of me - that is a big one - and the representatives have been asking for these roads to be fixed and the money is just not available.

I hold the view that when it comes to that part of our infrastructure (I am not even talking about new roads, I am talking about fixing the existing roads in the subdivisions and also the main thoroughfares) if the continued outlook is one whereby whenever the budget is depleted and whatever little can be spared we use, we will not get value for money.

There are those who will say that I am supporting and proposing huge borrowings for the country. But if all the bad governments before did nothing about it, and into the fourth year of this wonderful Government still nothing is done, then I would like to know which Government is going to deal with it if we continue in the same fashion. The point that I make is, if the people of the country knew that there was a planned course of action, if it was going to take two years or three years to deal with the situation in its entirety we all would know what is in play and people would understand and wait. What is happening to us now is that none of us knows which road is going to be done the next time around.

If we add up all the smaller amounts dealing with patchwork, I would venture to say that we are probably spending between \$3 million to \$4 million for the year. But because we are dealing with it in this fashion we never get value for money. What it takes the Public Works Department

to go into a subdivision and do a little bit of patchwork on the roads (which will last until it rains again) is certainly not the way we are going to get the best results. I believe that we are better off looking at this with a specific plan in mind. I firmly believe that funds which are expended for roads throughout the districts for the various menial jobs on an annual basis (which are only done halfway and next year we have to go back and do them over) could be applied to one lump sum. If it is borrowed and the works are phased properly, before we know it we would have the situation in hand and be able to deal with maintenance work. At this rate we will never catch up and will never be in a position to catch up, utilising the same methods we are utilising now.

It may sound as if the dollars and cents do not add up, but I promise anyone here (and I am sure the Minister himself can verify this) that the patchwork that is done (which is simply a band-aid situation over a period of time) ends up costing just as much as if the funds were available to do the job right, which would give us another 15 or 20 years extended life to the road.

The majority of roads that we have in our districts have almost reached the end of their life span. What are we going to do then? If we believe it is just subdivisions that I am talking about, it is not! They are but a part of the problem and come to the forefront because everyone screams about them - and rightly so.

It is not only those roads that we have to worry about. Just about every main thoroughfare which the majority of people in this country travel will very soon be at the end of their life-span and we will be watching and waiting to see when the final breath leaves the body. I am suggesting that the Government take a very serious look at this situation.

I do not believe that proper financing would mean any additional cost to the country. It simply means that we would be able to plan our projects in the best way possible. We would get value for money by being able to mobilise the equipment and the manpower in a sequenced fashion which gives the best results. It would be most cost-effective, and we would be paying it back out of the money that we now use to do patchwork which gives us no result. That has to make sense. I know that I am not the only one with that idea. I know there are others who have that or a similar idea.

I firmly believe it is a route for us to take. As representatives we are continually fighting about this district getting more than my districts, and my people are hollering and yeah, yeah, yeah. It is never going to stop unless we deal with a concerted effort and with a plan in mind that will take care of everyone.

I noticed that in the Governor's contribution he spoke about the proposed Harquail bypass. He said, **"In new road construction, design and survey work has commenced on the Harquail bypass and preliminary plans are being prepared or the Crewe Road Bypass. Work on the Harquail Bypass will begin during the second quarter of this year on a Finance and Build package that will be negotiated jointly between the Ministry, the Public Works Department and a consortium of local contractors which will be chosen as a result of an invitation to tender which will be published shortly."**

In the answer to a question in this sitting of the House which was asking for a time frame for commencement and completion of the proposed Harquail bypass, the Minister responsible for Public Works gave as part of his

answer: **“Supplement funding request can then be considered by Finance Committee after the survey work is completed and land acquisition estimates are made. If funding arrangements for construction are worked, construction can then start on the 1st of June.”**

I speak about this specific situation to simply air my views, hopefully to give food for thought regarding the way this situation will work. In answer to questions and debate earlier, my understanding was that the Harquail bypass was going to be tendered in a manner which included construction cost and the organising of financing for the project. In the Governor's contribution he basically said the same thing. In supplementary questions to the Minister it appears that it is not cast in stone, that is to say it is not a definite situation. It appears that the bypass road is going to be put out to tender in such a way that both construction cost and the organising of finances are part and parcel of the tendering process.

It is my belief that there is no sensible reason for Government to need a private contractor to organise financing. At the end of the day any private contractor who wishes to bid for the job and organise the financing through a financial institution will be seeking some type of guarantee from the Cayman Islands Government in order to secure himself. To me that is a given because no one in their right mind would operate differently. If the Government has to guarantee the situation, Government might as well deal with the loan on its own.

The other thing is that I do not believe there is anyone who would engage not just in tendering for the job, but also seeking financing of that magnitude, who would simply do that for nothing. It just does not work like that. It is going to cost us somewhere along the line. So I am hoping that since there seems to be some change of heart, that whenever this project comes to the Finance Committee it comes with two separate situations and what is sought is a loan - a loan which the Government is engaged in which is totally disassociated from the tender for the construction of the road. I just cannot see any sense in doing it like that without bearing additional cost to the Government. If the Government is going to be held responsible in writing, then the Government might as well be responsible in negotiating and dealing with the loan; then there can be no questions asked if the Government deals with it straight without a middle individual.

If the funding is for ten years, or fifteen years, or twenty years, would somebody build a road that is going to cost somewhere between \$8 million or \$10 million and then be held responsible to pay back the loan for that time? Again, I do not see them doing that without, at the minimum, Government making a guarantee plus other pages of red tape to secure themselves. I hope that my point is taken and when it is dealt with it is dealt with in that fashion.

The Speaker: Would you take a suspension at this time?

Mr. D. Kurt Tibbetts: Yes, Ma'am.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS RESUMED AT 4.03 PM

The Speaker: The Fourth Elected Member for George Town continuing.

Mr. D. Kurt Tibbetts: Madam Speaker, when we took the break I was going on to speak about another answer to a question that was posed in this sitting (and I am still under the heading of Public Works). The question asked the Minister responsible to give an update on the proposed National Road Plan. In the answer the Minister identified the scheduling of the work. He said, **“... longer periods of up to ten years are needed for land acquisition, utility works and funding arrangements. A National Road Plan must naturally dovetail with the Development Plan and take into account the needs of both the business and residential sectors.”** He also said that **“...an immediate need is to identify alternate road corridors to address the problem of traffic congestion on the present roads.”** I chose those excerpts from the Minister's answer to say that I could not agree more with the statement. It comes down to that chorus about long-term planning.

The problem that we face (I have mentioned it before in other areas) is regarding the infrastructure. My sincere fear is that it will never be meaningfully addressed because the longer we look at the problem the more it magnifies in front of us. Everything that faces us in these directions is nothing new; it has been talked about for years. The only thing that happens is that as time goes on every time we look at the problem it becomes more difficult, but all the same problems still exist. The answers are not easy.

The Minister mentioned in the answer that it will take up to ten years to deal with land acquisition, the utility works and funding arrangements. There was an old plan that was talked about from 1983. There was the Master Ground Transportation Plan which had gone a certain distance in the process, but the Member at the time got cold feet and withdrew it because of pressures from many areas. The problem is still here.

If we want to take the view that we can leave it for someone else to deal with because it is nothing easy for us to deal with, I guess we can fall in line as others have. But the problem is not going away.

I see where roads are being gazetted today that were in the process of being gazetted many years ago. The gazetting process was never completed. It is sad that whenever anything of such importance to the well-being and the future of this country always gets thrashed about. We fight about it and find reasons why this part is not good, and why that part is not good. I know that as the Master Ground Transportation Plan had many good points about it, there is always the argument that ensues about the costs (while I am here giving out the wish lists, I know that we cannot do everything at one time). But the costs are not as important as the fact that we have a plan that we will follow however long it takes us to complete. That is the point that I think is important to us right now.

I hope that the people who are engaged in this plan will utilise the plan prior to this and dust off the ones that have been shelved and make use of them, because what was relevant then is certainly relevant today for hardly anything has been done, if anything at all.

PROCEEDINGS SUSPENDED AT 3.41 PM

I seriously wish to make the point that for the few who may sit here and listen to what I am saying with a cocked-ear thinking, 'I have to listen carefully because I wonder how what he is saying will affect me', that is not the concern at hand. It is unfortunate that this disease has existed among us forever. The concern is what we have to do regarding long-term planning for the country.

I am not an expert in many areas, but I have been around quite long enough to understand and accept that when we deal with national issues practicing band-aid procedures is not going to get us anywhere. Many of the cuts are much wider than a band-aid can handle. When we talk about the roads and go back to something of the past, we are always concerned about who was dealing with it, when what is of importance is the problem and what we are going to do about it.

I fully understand that each representative or group of representatives from the districts will always be throwing out wants and wishes to satisfy the public, because it is that same public from whom they gain their support. Perhaps the things that I am saying right now do not seem to bear relevance because it makes life for us a bit more difficult, and we have to think harder. I say this evening that the problem we face in this country today is not going to be solved by bickering with each other. It is not going to be solved by us taking things personally. It is going to take all the various agencies, all the representatives, all the personnel working full-time to come together in a concerted effort with a planned approach. If we do not have a properly planned approach, at the end of the day the quality of life in this country is going to diminish. We are going to be wondering what has happened and why. Then everybody is going to point fingers at each other and say, "It was not me. It was him, it was her."

Every time we get into a specific issue we get sidetracked with the personal aspects of things. It is my belief that the professionals who are in the Civil Service have the ability to play their role in conceiving and putting together sensible plans. It is also my belief that they have the ability, once the policy-makers decide on major policies, to set those plans in motion for the country to move forward.

As I discuss these closing aspects of the problems that we face, I would like to quickly read from a keynote address which was delivered by Dr. Sybil Wilson at the Third National Education Conference. The Doctor said: "**The complexity and the diversity of our modern world calls for multiple voices. Those voices are the voices of our citizens, young (and not so young), male and female of various shades and tones. Invariable some voices ring out more loudly than others and thus we have our leaders in our several communities, be they political, educational, religious, social, sports, or linguistic communities. But we always hope that those voices ring out with wisdom and truth.**" She says, "**True national pride respects multi cultural diversity. The nurturing and care of each is the responsibility of the entire community.**" Madam Speaker, it is my hope that the areas that I have addressed in the Throne Speech will bring to light certain issues that we have to deal with.

I know that Rome was not built in a day, but there must be some serious effort towards dealing with the issues that face us - the larger issues. The individual issues are issues which we will have to deal with from day to day, but if we get consumed and do not look at the broad picture, very

soon we will have a little more than we can handle and it will get worse as time goes by. So I hope that after we are through with all the positioning that is expected of us (it is an election year), that we get down to the business of not simply running the country, but doing the things that need to be done.

In closing let me say that I have been proud to be a representative for the district of George Town. I will continue to do the best that I know how, given the tools that I have to work with. I will continue to point out difficulties that we face and issues that need to be addressed. It is my hope that those who have the authority to deal with these issues will pick up the mantle and do what has to be done so that we can look forward to a better country. Thank you.

The Speaker: I do not expect that any Member would want to begin their reply at this time, we have just about nine minutes left. Could I ask for a motion for the adjournment?

Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

ADJOURNMENT

Hon. W. McKeever Bush: Madam Speaker, I move the adjournment of this Honourable House until 10 o'clock on Monday morning.

The Speaker: The question is that the House do now adjourn until 10 o'clock on Monday morning. I shall put the question. Those in favour please say Aye. ..Those against No.

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until Monday morning at 10 o'clock.

AT 4.22 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM, MONDAY, 11TH MARCH, 1996.

**EDITED
MONDAY
11TH MARCH, 1996
11.05 AM**

The Speaker: I will ask the Temporary First Official Member to say prayers.

PRAYERS

Hon. Donovan 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 II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated.

Order. Proceedings are resumed. Commonwealth Day Message 1996 from Her Majesty the Queen.

MESSAGES AND ANNOUNCEMENTS

COMMONWEALTH DAY MESSAGE 1996 FROM HER MAJESTY THE QUEEN, HEAD OF THE COMMONWEALTH

(Read by the Hon. Speaker of the Legislative Assembly)

“The theme for Commonwealth Day this year is ‘Working in Partnership’. This theme reminds us that we can achieve much more if we work in a team, making use of each other’s different skills and experience, than if we are all separately trying to do the same thing. A successful partnership depends on mutual respect and friendship, and what matters is not what people are but what they can contribute to the common purpose. Partnership builds on experience, drawing lessons from the past and cementing shared friendships, and it looks to the future as it tackles the challenges of the present.

“The Commonwealth is an excellent example of this kind of partnership. The 53 sovereign nations who belong to it have vastly different social and ethnic traditions,

but it has been able to fashion unity out of this diversity and to become a working partnership of governments and peoples. One of the most valuable aspects of this partnership is the network of Commonwealth Non-governmental Organisations which link members of a wide range of professions and activities: architects, engineers, journalists and broadcasters, doctors and vets, magistrates and judges, and so on, and help them to benefit from each other’s experience and to work together for the common good. There are thriving partnerships between the Universities, the parliamentarians and the Trade Unions of the Commonwealth countries. In the arts, literature and music, there are Commonwealth links which enrich the cultural life of all the members, and there is also a friendly rivalry in a wide range of sporting activities.

“The Heads of Government of the Commonwealth set out its fundamental aims and principles in a statement adopted at Harare in 1991, and last November in New Zealand they agreed on an important Action Programme to give that mission statement a real cutting edge, with the emphasis on democracy, development and consensus building. Those aims, like so many others, can best be pursued in partnership both within the Commonwealth and on a wider global scale.

“Young people learn early the value of taking part in teams and tackling projects in partnership. I hope that you will carry those lessons into later life and, with the idealism and clear vision which the young can offer, help to build lasting partnerships to make the world a better and safer place.

**Elizabeth R.
11th March, 1996.”**

OBITUARY

(The Late Capt. Keith Tibbetts)

The Speaker: As Members are aware one of our past and old parliamentarians Capt. Keith Tibbetts passed away recently. He had been sick for a long time and, Members will recall that he was a vibrant and ardent Member of the Legislature during the time of his service.

As usual I will ask the Clerk to convey, on behalf of the House, sincere condolences to his widow and family. I will ask Members at this time to stand for a moment of silence in respect.

MOMENT OF SILENCE

The Speaker: Please be seated.

APOLOGIES

The Speaker: I have an apology from Mr. Roy Bodden, the First Elected Member for Bodden Town, who is attending a school function in that district.

Government Business, continuation of the debate on the Throne Speech.

The Second Elected Member for George Town.

GOVERNMENT BUSINESS

DEBATE ON THE THRONE SPEECH DELIVERED BY HIS EXCELLENCY MR. JOHN W. OWEN, MBE., GOVERNOR OF THE CAYMAN ISLANDS, ON FRIDAY, 16TH FEBRUARY, 1996

(Continuation of debate thereon)

Dr. Stephenson A Tomlinson: Thank you, Madam Speaker.

Listening to the Governor deliver the Throne Speech on the 16th of February, I felt justifiably proud, and also challenged by the very ambitious programmes outlined for 1996. We are but a population of 30,000 and if we accomplish so many things in such a short period of time, it will be nothing short of record breaking.

The Governor reminded us in his preamble of the character of our forefathers - and I better be careful since there are so many women in the House now, I will say fore-parents! He reminded us of how strong they were and we know that our foreparents had vision and that they were a tough breed. They were self-reliant and were of an independent nature. I think it was quite appropriate for the Governor to remind us of the qualities of our foreparents.

Although some of us may have to thread new paths, I believe that all of us will need every ounce of determination and human creativity our foreparents had and perhaps even more.

It was Ann Landers who said "**Opportunities are often disguised as hard work and many people do not see them.**" It was Ralph Emerson who said, "**Hitch your wagon to a Star.**" We will not only have to grasp opportunities, but we will in instances create opportunities. I believe it is well within the reach of our generation, and generations to come, to continue the success story of the Cayman Islands.

We are in the middle of a boom. Things have not been quite so good for a long time. Ask the realtors, the hoteliers, banks, anyone in the country and they will tell you it is booming. Everything is booming; we are in the middle of a boom. Recently I read the Real Estate Report (I think a Minister also referred to that report) and I believe that is exemplary of what is going on in the country, things are booming at present.

This was not the situation in 1992, and these things did not just occur by serendipity; these things occurred because of hard work on the part of the present Government. We can all be eternally grateful for the changes that have occurred in the Cayman Islands. I believe that 1996 will be even better than the past three years from all accounts and reports.

This country is very fortunate when we consider the fact that we have virtually no natural resources. Because of foresight we enjoy a very healthy financial industry, and a booming tourism industry. The Governor made mention of these two industries in his preamble. Our Government is committed to doing everything in its power to make them even better.

In 1993, we passed the Mutual Fund legislation and what has happened since then is remarkable. I am told that we have outstripped Bermuda and three other jurisdictions in mutual fund assets in that short period of time.

In mid-1996 we expect that the Cayman Islands Stock Exchange will be up and running. This, to me, is an example of foresight and I believe that the future of the stock exchange is bright. I believe it will be quite a success and that it will complement our financial industry and generally enhance things here in the Cayman Islands.

I would like to caution the Government to see that it gets a fair share from the stock exchange. We need money to build our infrastructure, and while it would not serve us, it would not help us to be greedy I would like to see Government getting a fair share from the stock exchange - not just breaking even.

The Alma Mater of the National Team is "Building for the 21st Century." Notice I say 'Alma Mater' and not slogan'. To me that is very significant.

This year (1996) reminds us that we are less than 46 months from the new millennium and there is a lot to be done. I believe that is why the agenda of the Government is so heavy. Time is short and there is so much to be accomplished.

Gone are the days when everything could be done manually. Like it or not, we are in a new technological age and if we go through the Governor's Throne Speech we will see where many efforts are being made to computerise various departments. Efforts are being made to trade information giving easy access to information so that things will become more efficient. We have to maintain our competitive edge in the international market place.

Easy access to information due to computerisation in the Courts, Customs, Companies Registry, Financial Services, Police, Planning and other Government Departments is starting to pay off, in particular with the General Registry. All senior managers will be able to access information in the General Registry later this year. I believe that is a major stride forward. This is going to be welcomed by the private sector and will make our Government and, in turn, the country as a whole more efficient. Having direct access will avoid many of the headaches which have existed in the past.

The Civil Service has to be efficient. Government is obviously committed to providing the tools necessary and as a result we can only hope that the efficiency of the Service will be enhanced.

There is an ongoing review of the General Orders and the Public Service Commission Regulations. I understand that the Portfolio of Internal and External Affairs will soon be completing the major exercises of evaluating all civil servants' posts. The concept of a hard day's work for a good day's pay must apply in the Civil Service also. I believe this revision is timely and it is the way we should go and that performance should definitely be linked to pay.

I would like to interject at this time and say something that I did not say in the past meeting regarding the 9% increase in civil servants' pay last year (I think it is effective this year). We know that the Civil Service is deserving of a salary increase and I fully support it. However, I feel that the increase should not have been across the board. I would have much preferred a greater increase for the lower paid civil servants and less percentage increase for the senior civil servants. I believe that would have been a better move.

For example, persons making \$1,600 per month could have benefitted greatly from a 16% increase and persons making \$6,000 per month could do with perhaps a 4% or 5% percent increase.

The Government is doing all it can to ensure easy access to information and that the Civil Service becomes extremely efficient. There are complaints from the general public about the Service's inefficiencies. There will always be

complaints, Madam Speaker. We must, however, do all we can to ensure that it is as efficient as possible.

New technology has its flip side too. As computerisation comes on line there must be a familiarisation period (and I believe the public understands that). So there will be hiccoughs at times.

I understand that at present, for instance, the Customs Department has just installed a new computerisation system and it is causing some delays. But I believe the public understands that this will occur before people are fully familiar with the new system.

We must not allow technology to roll over us - overwhelm us, it must remain our servant. It must never become our master. In the midst of this plethora of informatics we must allow the human spirit to survive and human creativity must not be buried beneath an overabundance of data and paper so that we do not know where we are going.

Government is often criticised about mixing up priorities. This complaint I believe, is a hackneyed one; I have heard it from the time I was in my teens, and now we are singing the praises of the past Government. I believe that we will forever have people who feel that whatever the Government is doing is not correct and that it is mixing up its priorities. It is a very delicate balancing act.

I am reminded of situations where patients have come to me and said, "Dr. Tomlinson, this is the worst thing that has ever happened to me in my life, have such a severe back ache", the next one has is a severe ear ache. But to them that is the worst thing that can happen to them. Government on the other hand has to look at the general situation and take a broad overview and do what is necessary for the country. It depends on the need.

Having said that, I would like to state some of my perspectives regarding priorities. Firstly, we must protect the country from external and internal threats; safety and security for all has got to be high on our list of priorities. We depend on the United Kingdom and the United States in the event of foreign invasion. Response time must be quick in such an event to prevent undue harm. To the best of my knowledge this is in place. Or is it?

At present the police are the only on-the-spot force to combat threats to internal security. During the Cuban migrant crisis (in 1995 the Governor referred in the preamble of the Throne Speech to the Cuban migrant crisis again it is in this Throne Speech 1996) the need for a Cayman regiment became obvious. There were some very intense moments during the Cuban migrant crisis. At times there was fear of a riot and even insurrection. If I remember correctly in the Throne Speech of 1996 the Governor remarked that ever since the influx of Cuban migrants the need for a Cayman regiment has been more evident. Recently, a Government delegation, he said, had gone to Bermuda to observe that country's regiment. He reminded us that the Government was considering setting up a Cayman Islands regiment to assist the country in times of need particularly in times of natural disaster, a Cadet Corp. as a disciplinary service where young people can be given guidance in self-control and discipline.

I know that after that Throne Speech the Government received quite a lot of flak about this Cayman Regiment and it was not an extremely popular idea with the public. However, I want to make it clear that I, for one, feel that a Cayman Regiment is necessary, albeit a small one. I believe

that this idea should not be scrapped, it should be implemented. We have to ensure safety and security in this country. I believe it is something that we should take a new look at, although as far as I know, no moves were made to implement it in 1995, we should take a fresh look at the idea of a Cayman Regiment.

As far as the Cadet Corps is concerned, from the time I was a teenager I felt that it would be extremely good for persons graduating from high school to do at least a year service in the Corps, except, of course, in some exceptional cases. But this would greatly enhance the calibre of persons hitting the work force once they have completed time in a Cadet Corps.

People in the Cayman Islands Regiment would not be busy at all times as other regiments are in times of crisis. But in times of peace they could be involved in telecommunication, at the dock and in airport activities. They could also be involved in maintenance programmes and in other essential Government services. Just imagine if Cable and Wireless fails to function. This country has got to maintain contact with the outside world. A Cayman Islands Regiment could not only be helpful in such instances, but in time of natural disaster, they could come to our rescue and help us immensely.

I would like to say a bit more on the Cuban migrant crisis. When we had such an influx of Cubans (I believe it was in the region of 1,500 migrants) it strapped and stretched our resources greatly. We did as well as we could and coped fairly well with the situation. We made appeals to the Mother Country which gave us a few tents and a few thousand pounds (I do not know whether we got the money) and a few police officers. We ended up having to pay their salaries. I can very well understand our having to take care of our domestic affairs and foot the bill. In fact I would not want any help in this regard. I am proud that the Cayman Islands is in a position to look after the expenses incurred by us. But when we have migrants, especially in that proportion, coming to our shores, one would expect some sort of relief and assistance from the mother country.

I believe that what occurred during the Cuban migrant crisis is a crying shame. Without saying that, I would not feel relieved. I have been very frustrated by the way the United Kingdom acted during this crisis. It is very shameful.

High on my priority list is the availability of food and sustenance. We know that most of this is imported and transportation comes into to play. Is there any reason then why this Government attaches such importance to Cayman Airways and the shipping industry? Also all the efforts that have been made in agriculture. Despite the lack of arable land in Grand Cayman, many efforts are being made to improve agriculture. I especially welcome the plant propagation policy. The fact that we will have a plant propagator I believe it is going to enhance agriculture.

Shelter comes next on my list and, of course, there are so many other priorities. We cannot forget health, education and just the opportunity to make a living. Any Government which cannot employ its people and ensure that they can make a living should retire in my opinion. In this respect, we have seen where the unemployment rate has dropped from approximately 450 people to less than 100 in three short year. Therefore, this Government is doing fantastic work when it comes to unemployment. We are providing so many jobs for people, indirectly and directly, and I do not believe there should be any complaints in this regard.

All and all, we have a very prosperous country. For 30,000 people to make this all possible is remarkable. Thirty thousand people is just a village in other countries. Let us look around, what other group of 30,000 people can boast of two international airports? their own national airline? telecommunication system such as ours? per capita income of

more than CI\$35,000 per year? What other group of 30,000 people can boast of a standard of housing like ours? the kind of public sanitation that we have? sports centres as we have, educational standard that exists here? What other group of 30,000 people can boast of their own Law School? Could they boast of the presence of the International College of the Cayman Islands, a Community College that is constantly expanding its curriculum to meet the needs of students, UWIDITE services and a health care system that is up against that available in the United States of America - the super power of the world. All of this in a relatively crime free environment! We should all be eternally grateful.

However, there is a down side to all of this, and I wish to touch on how it affects work ethics. When there is so much employment, when there is so much prosperity, I see that it has adversely affected work ethics in this country. It is extremely difficult not only to get workers but to get good workers.

I am not playing politician anymore, I am talking about the facts as they exist. People turn up late for work and the quality of their work simply stinks at times, Madam Speaker. These same people run to the Labour Board and complain about employers, and if it were not for employers in this country I wonder where we would be. Work ethics are at an all time low in Grand Cayman. Something has got to be done about it. Obviously, this is an extremely difficult problem to resolve. But I know (and many other people in this country know) how terrible work ethics are at the present time.

The Governor began by reminding us of the importance of our financial industry. For years I have been aware that there are forces at work desperately trying to destroy our reputation as a premiere international financial centre. Books and movies habitually depict this jurisdiction as the number one place for drug traffickers and money laundering. Calculated efforts are also made by persons in very influential places and positions to willfully, I believe, spread this misinformation about the financial industry of the Cayman Islands. All of this I believe is for their own pecuniary advantage.

Government has been desperately trying to counteract this situation. I am aware of many efforts that are made by Government to give facts, figures and the correct information, and still there is this barrage, this continued effort on the part of so many destructive forces all in an attempt to tarnish Cayman's image as a premiere international financial centre.

We must continue to counter this by providing accurate information about the calibre of our financial centre. We know that the industry is well regulated and the world has to also know. They have to be reminded over and over again. We have to make every possible effort. We are doing it, and we have to continue to do it.

So many who have arrived on our shores with misconceptions soon express utter amazement at the sophistication, efficiency and honesty of the financial industry here. They soon become 100% satisfied that we do have all the appropriate safeguards in place to ensure that ill-gotten funds do not come in and permeate the system. Yet it is surprising who tries to destroy the financial industry here. All because of jealousy, ill-will and self interest.

I would like to go on to the Governor's presentation regarding the Departments, Ministries and Portfolios. He began by informing us about what is going on in the Judici-

ary. I believe credit should go to the Third Elected Member for George Town for bringing the Motion to this House to upgrade the Court's administrative procedures which we all agree are badly needed. I am glad to hear that her Motion is bearing fruit and that something is being done to improve the administrative procedures at the Courts.

There is no question that more space is needed, and I do hope that the space required has been found. I believe His Excellency said that a building has been found. I do not know which building it is, but I hope that it is ample and will improve the functioning of the courts.

The Royal Cayman Islands Police Force: I have always felt that every effort must be made to make conditions in the RCIP attractive to young graduates. I believe that the salary, lack of overtime pay, grueling hours, availability of better jobs (or at least that is what I am told by people who are interested in entering the police force) are disincentives to their joining the police force.

I know that there have been great improvements in the force especially since Mr. Grey has taken the helm. I know that salary has increased. They still do not get overtime pay, but I would ask the Portfolio to take a look at the Police Force and find out why is it that talented young Caymanian are not eager to go into the force. I believe this should be addressed. We do need Caymanians in the police force. A mixture often helps in my opinion, but we need more Caymanians; they understand the country, and I believe we will get better results.

The idea of there being more police officers in the field is certainly welcome. I believe this should also spill over into the Social Services where we need social workers. It appears too that headway is being made to improve community relations by the Police Force. Without the help of the general public the police are almost impotent. Therefore, this move on the part of Mr. Grey is the way to go to improve community relations and to get the help of the general public.

There has been much ado about the absence of directives in the Immigration Department. There have been letters in the newspapers about this. I was surprised, however, to see some of these letters because Government spent much time in 1994 and 1995 to come up with new directives. These directives were given to the Immigration Department. The Immigration Regulations were consolidated and amended and we spent hours on this. As far as I know the Immigration Department has these new directives. I believe if they use them it will avoid some of the confusion they say exist. They should also make the department more efficient.

The hot potato seems to be the status and residence issue. My view on this matter is that persons who have lived in the Cayman Islands for more than ten years, who invested and helped to build the country should be given permanent residence with the right to work. If this is not Government's intention then these persons should be asked to leave within a given period of time.

Caymanian status is another matter. I believe Caymanian status should be by right and persons having blood connection should get status. For others a rigid quota system should be maintained.

Regarding District Administration. It is true that things have not been as active in Cayman Brac as they have been in previous years. Government has ensured over the years that the Brac has the infrastructure it needs (and we all know that it has an excellent infrastructure), but for some reason the private sector is not developing the way we expect and hope it develops.

I believe that a proper marina in Cayman Brac would help the situation. I further believe that the schedule of

Cayman Airways should be changed to some extent (and it is very difficult I understand to get the schedule right) to ensure that it is advantageous to the development of the Brac. Tourism is important here and it is also important in the Brac. If the airline service is just right, then I believe we will see a growth in tourism on that island.

I do not know too much about the prospect of mountain climbing in the Brac, but I noticed that the Governor thinks that it has some potential. Perhaps that should be pursued.

Things are buoyant in Little Cayman, and Government has stepped in to make sure that there is police presence on a 24-hour basis; that there is a multi-purpose building. The land fill site was completed. Infrastructure is being put in place to ensure that Little Cayman develops properly. Also, the airport in Little Cayman is being looked at now and I believe that something will be done in the near future.

Regarding Personnel, Training, Management and Computer Services, this seems to be a very busy department. I notice that Computer Services will implement several new or replacement computer systems in many Government departments. The new grading structure and the Performance Appraisal system will be completed shortly. All of this will make the Civil Service more efficient. It has my best wishes.

Very little was said by the Governor about the Portfolio of Legal Administration, one of the most important in Government bearing in mind the nature of our economy. The Law School has produced many fine lawyers and so many of them complain that some local firms regard their qualifications as substandard (and second best, too, I have heard that from lawyers), and that they have great difficulty establishing themselves in some local law firms because there is a prevailing sentiment that their qualification is substandard to some foreign qualifications. I would suggest that if this is so, then something should be done about it. If the Law School is not producing lawyers up to scratch, then let us do something about it. If this is not the case then let us insure that our young lawyers get fair treatment once they graduate.

I wonder how many graduates of the Law School are working in the Government's Legal Department? Perhaps more should be.

Recently Government has lost a spate of legal cases. I am told that if we lose the appeal to the privy council that we might end up having to pay out in the region of CI\$1 million to plaintiffs. Government turns to the Legal Department for sound legal advice and guidance, and it expects to get it. I do not know the reasons why these cases have been lost. I know that one of them was ongoing even before this Government took over. But there has to be something wrong why so many cases are being lost.

I believe that we have to look at it. This is the public's funds that will have to be paid out. If we keep losing these cases it will be utter waste. I suggest that Government really needs to take a good look at what is going on in the Legal Department.

I am excited about the Cayman Islands Stock Exchange. This is an example of where once again Government has foresight - the type our forefathers had. I believe that it has great prospects and it is going to succeed. Just let us make sure that the Government gets more than just peanuts out of it so that we can build our infrastructure.

My eyes caught what the Government plans to do in the Treasury Department, namely, **"to set up a centralised Debt Collection Unit within the Treasury."** I understand

that it will soon be functional and it is time that we have this in operation.

There is a prevailing attitude that if Government does a service for us (lends us money) that we owe Government but we do not have to be in a hurry to pay back Government. This is a prevailing attitude here and I think that Government is doing the right thing to make sure that there is a Debt Collection Unit in the Treasury Department so that this money can be redeemed. I do not believe people should get off. I believe that they should be made to feel responsible and made to act responsible and pay Government whatever is due.

I would like to go on to the Ministry for Tourism, Aviation and Commerce. This Ministry is a very active one and we see the results. I support all the projects that are outlined here in the Throne Speech. I would just like to ask the Minister to inform us about the cabanas. I am not sure if they are for the Seven Mile Beach or for the others.

(an inaudible interjection by a Member)

Dr. Stephenson A Tomlinson: Yes, because I know there are sufficient cabanas and rest room facilities on the present public beach. So the Minister will tell us about that no doubt when he makes his contribution.

I am one who feels that George Town needs a central park. I have been shouting from the house tops, saying it since I have been elected, and so far no progress has been made to get a central park. I remember that the Third Elected Member and I, and also the Minister for Education, went to see a beautiful site for a central George Town park. Unfortunately, that did not come to fruition. I believe the private sector bought that property and buildings have been constructed on it. A central park in George Town is something we should have. We need it, the tourists need it, and we should have it - it is the Capital!

Every year accolades are piled on the Fire Department which we all know is very well run. It is known for its prompt responses and its efficiency in action. If this was any different I would be disappointed. This has got to be about the best staffed department in Government. When one considers the number of emergency calls they get per annum as compared to the ambulance service, for instance, we quickly see a sharp discrepancy in staffing. Do not ask about pay. Why it is that recruits to the ambulance service start at such a low salary compared to Fire Officers? Government needs to look into this.

The Ambulance Service staff has only a mere 17 persons compared to over 100... I found out last night that 112 men are employed in the Fire Service. The ambulance service gets as many as 15 calls per day. How many does the Fire Service get? Yes, they do a good job... as far as I am concerned they ought to.

The Throne Speech gets very trite in some sections; permanent mooring for George Town, slaughter house for Lower Valley, the Harquail and Crewe Road Bypass, the hospital even. We have talked about these issues long enough. We have talked and talked - now let us do them. We need them. The House supports them unanimously. The public is crying out to get them done. So let us do them and stop talking about them. That is all I have to say on that.

I would like to go on to the Ministry for Health, Drug Abuse Prevention and Rehabilitation. I have perused the Health Insurance Draft and will have my critique ready for the Minister in about a week's time.

The Minister and I do discuss matters pertaining to health very frequently. I will say here on the floor of this House that it is not that he does not try to get in touch with me, but I wish I had more time to spend with the Minister when it comes to matters pertaining to health.

The Health Insurance legislation seeks to ensure that every citizen of the Cayman Islands will be able to afford health care by having health insurance. The Objects and Reasons of the Bill is most commendable. We have got to make sure that the benefits are ample and satisfactory. We have got to make sure that whenever a person gets medical attention the benefits apply irrespective of where they are received and that the premiums are affordable.

To do this, it will be necessary to put riders and stipulations on the benefits. For example, no insurance company will be happy to offer unqualified coverage for mental illness and alcoholism unless the premium blows your mind. But insurance companies will consider providing coverage for, say, a predetermined number of outpatient visits and a maximum of, say, 30 days' hospitalisation per annum.

Similarly, we can get insurers to provide coverage for overseas medical care for a reasonable premium by specifying a limit. The use of ceiling will keep the premiums affordable, yet provide coverage needed by almost 100% of the population.

I also support coinsurance fees. Unless people are directly responsible for some of the costs the system will be abused. The Canadian Health Care System is a glaring example of this, emergency rooms are packed with non-emergency problems and the system is falling apart from within and from a lack of funds. In our case it will not be lack of funds, it will be that the premiums are not affordable.

I cannot wholeheartedly support differential premiums. I see no reason why insurers cannot offer a universal premium from cradle to grave. Our elderly citizens are least able to afford high premiums and this needs to be offset by the healthier working population paying a slightly higher premium. Reimbursement to physicians has to be more prompt than it is at present for it to be acceptable by the medical community.

These are just a few points which appear in my critique and this matter will be discussed in great length with the Minister in the near future.

In any case, we put the Health Insurance Law on hold. I would like to assure the public through you, Madam Speaker, that the new Health Insurance Law will be (and it has to be) a lot more effective and workable than the previous law. We better make it so or we will be the laughing stock of the last Government.

The hospital building is due to be started soon. The material management building is nearing completion as the Governor and the Minister have told us. All of these are excellent moves which are overdue. I am delighted to hear that the hospital building will be started within the next few weeks.

There is no question that this is a well planned hospital which is not just going to be a building (as some of us feared from the plans of the last Government), it will be properly equipped and as a result of technology and equipment we will have far fewer people having to go to the United States of America for diagnosis. It will have extremely good diagnostic capability. I believe for the size of the population it will be about the best hospital in the world.

The only thing is to get it going, and I certainly will do everything I can to assist the Minister to see that the hospital is completed.

I have said that the two things I would have liked to see accomplished during my tenure in the Legislative Assembly were the construction of the hospital and that the economy was back on track. The economy is fine, I only hope that I can see the hospital near completion within the next year or two.

Regarding Cayman Airways, I would like to sing the praises of Cayman Airways. This has been a success story, and I know that we have said it over and over, but Cayman Airways is really doing better, and better, and better. There are many people who are responsible: the Board, the people who work for Cayman Airways, the Minister, the Government. At any rate, Cayman Airways is doing much better.

The public knows that I fully supported the purchasing of the aircraft, and Government's intention to purchase a second aircraft shows the confidence we have in the airline. My argument against leasing versus purchasing is that I see no wisdom in paying a lease and at the end of it owning nothing, versus paying off a loan and owning an aircraft. Furthermore, why should we spend so much money on maintenance and end up with nothing? We may as well maintain our own aeroplanes.

Government has made a wise decision, and although it is not quite clear in the Governor's Throne Speech what is really going on, I am told that one aeroplane has been purchased and plans are now in place to purchase a second aeroplane. So we have to say 'Bravo' to Cayman Airways, and best of luck to all who work so hard for the airline.

Regarding the recent occurrences with the Postmaster General, I would like to make a few statements. I read the statement made in this House regarding the Postmaster General with great displeasure. I regard this lady as a very able Caymanian who has shown that she can get the job done. There have never been so many improvements at the postal services before Miss Glasgow took office. For her to be treated in this manner is intolerable.

I know what was said in the statement, and I also know what really went on. How long are we going to allow this to continue? How long are we going to sit down and allow our able, talented young Caymanians to be kicked out of the Civil Service and be replaced by foreigners? This is not good enough! This is not good enough, and I am telling you all this is one issue that has infuriated me. Simply infuriated me.

Miss Glasgow simply wanted three posts upgraded to groom the staff so that when she retired, or whenever she decided to leave, Government could be in the position to pick one of them to replace her and the efficiency would continue. The other issue was that she was promised more space at the Post Office and was not given it. For her to do her job properly she needed more space. She did not sit down and do nothing about it. During all of this hoopla she found out that she could get the space at Hampstead Limited, near the Airport where the mail sorting would occur and she could have another Post Office outlet there.

All she was doing was working. What happened to the lady? She lost her job because of doing good work.

We should be ashamed of ourselves. I do not believe for one moment that Miss Glasgow should be out in the cold. I tell you what, if there is anything that can be done to convince the Governor to reinstate her, I fully support it. I believe everybody in this House should support it, Madam Speaker. I really believe so.

This is a crying disgrace! It is a crying disgrace. I have never seen anything quite like this. Are we all impotent in this House? Can something be done?

I would also like to talk about the new Environmental Health Building. Many protests have come to our attention, we have people in the area writing us letters. I went up there and I saw it. Now I know that we need this new building and I also listened to the constituents. Their contention is that toxic chemicals can be harmful to them in the neighbourhood, especially with young children around. I ask: Has any study been done to see if there is any merit in what they are saying? I mean do we know whether what they are saying has some substance?

When I discussed it with one or two people (and I would like to say they were not politicians) who worked in Government, what I was told was that they should have known better than to move there and to build their houses there. That is what I was told '...because they knew it was an industrial area.' Now, how callous can we get? We need to address this and I understand that even after the Central Planning Authority (CPA) decided not to store the chemicals there, somebody in Government is now appealing it. That should be left to rest.

Many roads in my district are an utter disgrace. The Fourth Elected Member for George Town spoke about pot-holes as large as himself (laughter). I know of accidents that have occurred because of people swerving from these pot-holes. I also know that one car broke off its tie rod in one of the pot-holes. I can tell you that I know of a case where a woman had a miscarriage because her husband, while driving, dropped into one of these pot-holes.

So there are pot-holes in George Town that need attention. The one thing I wish to point out to the Government (I know that they know it, but I want to point it out today) is that George Town has more roads than other districts; it is most heavily travelled, and it must get a bigger budget for roads than the other districts. It is as simple as that.

What is \$238,000 to fix roads in George Town? I am very dissatisfied with the amount of money that has been apportioned to George Town for roads. We also need more money to fix our roads.

Now, what have I been saying about all of this? What I told the Minister and the Government is that if we need a loan, let us get it. Let us get a loan. Why are we sitting here thinking that the roads are going to get better? If we need a loan - \$10 million - let us get it. This is one thing that our tax-base does not allow us to pay for on the spot. So let us get a loan. Even if our children have to help pay it off they should because they are going to be using the roads the same way we use them. But we need money to get our roads fixed and I am urging the Government to get the roads fixed.

If approval is needed for a loan to fix our roads (even in this Session of the House) let us get it done. Let us get some good roads in Grand Cayman. We cannot allow ourselves to grind to a halt just because we need a few good roads.

There are enough people in here who championed the cause of employees. Employees, as far as I am concerned, are vital and without them this country would not be able to go ahead. There is no question about that. When I am finished I guess some people will say, 'he does not know where his votes are coming from', but I am interested in employees and that is why I want to champion the cause of employers. Were it not for employers in this country where would we be? They are the ones who take the risks. They are the ones with

the capital and the world needs money. Let us understand that, the world needs money. They can invest in other locations besides Grand Cayman, even Caymanians can do that. So let us remember to give employers their right.

I hope that in these Labour Tribunals and Labour Board relations that it is remembered that employers are the ones out there sticking their necks out and they do so much to ensure that we have a vibrant Cayman. Now, if people do not want to vote for me for that, that is all right too.

Let us not be too quick to strap the employer, let us try to accommodate him. For, too often nowadays - far too often - disgruntled employees with poor work ethics want too much for nothing, then quickly run to the Labour Board about nonsense. Gone are the days when everyone earned a full day's pay for a hard full day's work in Grand Cayman; some do it but not everyone. Those days were much better, and we had better get back to them.

The Guaranteed Home Mortgage Scheme has helped many people. I believe that the Minister should be given a lot of credit for trying to put this together so that people could get housing. I believe that there are over 70 people who have been helped. I would like to take this opportunity to thank the Minister for all that he has done in this regard.

People are being helped, however the scheme is not for the poor man. We need a real low income housing scheme. One of the advantages of the Guaranteed Home Mortgage Scheme is that it has helped people because they did not have to make the down payment which was necessary before. At any rate it has helped. So it has been a good thing. But we do need a real low income housing scheme. Not poor quality houses, but affordable housing so that people in the country can be well sheltered.

I was delighted to hear that the net surplus for the sale of the Housing Development Corporation Mortgage Portfolio will be used to this end. That is a beginning. More money will be needed, and I believe if we all help the Minister with his good ideas we will come up with the answer to help these very poor people who need housing.

Having said those things, Madam Speaker, you will remember when I began my contribution I spoke about how good this country is. I mean that. We have the best country in the Caribbean. This is the gem of the Caribbean and we want to keep it that way. We want to ensure that it is that way for our children and grandchildren to come. This is a precious little country but there is a lot still to be done.

My wish for us in 1996 is a year characterised by a passion for the work we do and compassion for those who are travelling with us on the journey.

Thank you.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.20 AM

PROCEEDINGS RESUMED AT 11.47 AM

The Speaker: Please be seated.

Debate continues on the Throne Speech. The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, I feel privileged, once again, and I thank God to be able to offer my contribution to the Throne Speech. I wish to publicly offer my thanks to His Excellency the Governor for such a well delivered speech - one of the best, if not the best, I have heard. I am thankful for his diligence, his ability and dedication which he has demonstrated in carrying out responsibilities.

I wish also to record my thanks to all Members who recognise the work and accomplishments of my Ministry and who took the time to say thanks' for what was done in their districts. I say to them that we accomplish things together. If we fight with one another we can hardly succeed.

When His Excellency was speaking, I had to ponder how far we have come. How fortunate this country is in comparison to the rest of the world. When His Excellency outlined the many projects, programmes and plans for 1996, my Permanent Secretary mentioned afterwards that all of this is being done in our small country of 30,000 people.

Have we stopped to think just how fortunate we are? Of course we have problems, but I know that as a Government we have not abrogated our responsibilities, we have made a determined effort (with some success too!) in tackling the problems of our country. For anyone to think that the happiness of a people, the progress of a people, the forward and upward movement of a people, lies entirely in the field of worldly possessions is to exclude completely whole areas or factors that are not at all contingent on money or wealth.

I would like here to mention a poem that was written in the early part of the 20th century, around 1930 or thereabouts. I quote: **"It takes a mighty fire to create a great people/It takes a mighty fire to smelt through steel."** To create and temper steel takes patience and endurance. The poet went on in other verses to express his faith in the people of his country in these words: **"But oh what steel and what people are my people/The mold is not yet made that perhaps can unite and make my people one/But more important than the mold is the temper of the steel, the spirit of my people/It is difficult steel to smelt, it is crude and simple, dark and deep..."**, and he expresses his faith again: **"But oh what steel and what people are my people/When that steel is smelted and when that steel is tempered and when that steel is cast/What people shall my people be.."**

Notwithstanding our problems, I have faith in the people of the Cayman Islands. I do not believe that we have come to the end of our time or the end of our rope. No! Rather, I have much confidence in the 21st century. Our people are resilient and have made it through the worst of times. But it is our job as leaders to shape and mold this country so that our people, whom I say are like steel, will benefit.

I am amazed, when the economy is doing well and so many opportunities abound, when so much has been accomplished in three years, that so much hopelessness can be pitted by the Opposition. How can we expect our people to have the will to advance, believe in themselves or to even achieve when they are constantly being told that there is no hope for them? Or that the country is so corrupted that it is falling apart? Perhaps this dark attitude of the Opposition is because of a lack of positiveness. Perhaps that is why they have failed so often and so miserably.

I understand that it was the ploy of the Communists to tell the people something often enough and soon they would learn to believe it. But we are not a Communistic State and people have their eyes open.

We have heard a lot from the Opposition Members about what is happening in other countries. I have visited

several countries (developed countries, developing countries), and I can tell the people of the Cayman Islands (as the popular festival songs says "There is no place like yard") There is no place like home. There is no other country I would rather live than in our Cayman Islands.

The Eastern Caribbean States, with places such as Anguilla, have their own way of life, their own problems which we would never want the Cayman Islands to experience. But even that little island is doing excellent. Whenever I visit those countries to attend conferences and meet leaders from those countries, they say to me: "Bush, you have it good in the Cayman Islands. I wish we were like the Cayman Islands where your standard of living is so good and you do not have to pay taxes."

The Cayman Islands is not Anguilla, it is not the British Virgin Islands, or Jamaica, or Trinidad and Tobago, or any of those countries. We are different. I do not care what kind of scenario a person gives, we are a different case. Every country has a different case. I do not appreciate anyone trying to make us look like or seem like any other country. While we do have a historical connection, to some extent, with Jamaica for instance, we are still not Jamaica. As one of the people elected with responsibility for Culture, I detest the efforts of some people who try to copy slavishly other countries; the talk, the driving habits that I see taking place on our streets today.

Yes, there are many positive things from the rest of the world that we can copy, for example the steel drum (the steel pan as it is known). That is a positive instrument that I think has an impact in the Cayman Islands and one that I welcome; one that our young people, and perhaps our older people if they got involved with it, can learn quickly and have learned quickly.

There are some cultures that have no place in the Cayman Islands. For instance, I noticed in recent times music is played on the public beach along the West Bay Road, especially on a Sunday (sometimes late at night too, I understand), and the sound speakers are as big as a room. When you pass by all you can hear is boom, boom, boom, boom!

There are long time residents at nearby properties, some who have lived there for more than 20 years. No one should be harassed by this kind of commotion on a Sunday, or late at night. I know that this kind of fete goes on in other countries in the region, but it is not something I condone on a Sunday. No one in this House loves music more than I (and I love to dance too), I find it relaxing and it helps me to keep fit. As far as I am concerned it is good for the soul. Sunday is a holy day here in these islands, and if people want to party, then they should do it without being a nuisance to others. This is not a part of our culture.

I am going to take steps - I hope I can get support for it, I have no doubt I will - that that abomination be stopped. We cannot be like every other country. What people shall my people be if we try to be like other countries?

I want to get back to this matter of development which was derided by the Opposition. Is it by strange coincidence that when tourism is flourishing and doing well that we hear the country does not need any more? When it was down, as it was in previous years, we heard that we needed more tourists. Is it by strange coincidence that when the country is doing well with development the detractors say there is too much development, and we have to slow down development, and the extremists say stop development?

Is it by coincidence that Members of the House and some members of the public, who say that development is bad and that we should stop it or slow it down, are the same ones who are themselves developing businesses hand over fist? Is it not strange that the ones who set fire to the fire station are the ones jumping up and down in the streets saying where is the fire truck? We cannot have our cake and eat it too. My question is: What are the alternatives to development? While everyone talks about the needs of the country, I wonder who has stopped to ask where the money will come from?

Many of the countries touted by the Opposition as models for the Cayman Islands' development have a long way to go in offering the kind of services that we offer our people without serious intrusion by taxation on their salaries. Everybody wants new roads, better health care services, and we need other health services. We all get free education and most of the services provided by the Government are free.

If development is discontinued, or if the investor gets the notion that he is not wanted here, I wonder - resilient though we be - what people shall my people be?

I heard talk about wealthy individuals coming to our islands. I am not going to put them down. Would you rather have us overrun by poor people? I do not think so. I do not think it behoves any Elected Member to recklessly go about creating doubt and talking about corruption and tying projects to it simply because a person is purported to be rich. Members say that they are responsible, upright and honest - then they need to show that. We need rich people who are capable of doing the kinds of development projects which will enhance the standard of living for Caymanians.

It is not a paradox that sometime ago we heard the notion that we should pass some kind of legislation that only Caymanians get into business. Is it not strange that the same ones who were talking about the rich people coming here and how we should not have them, are the ones saying if we do this we are going to kill incentives, we are going to stop the business people, the rich people from coming here? Well, what is it that the Opposition wants?

There seems to be a concerted effort to discourage progress and keep our people poor, to take them back to where we were a long time ago with nothing but mosquitoes. To be a progressive country where we provide the necessary services and a quality of life that brings national contentment, we must have rich people coming here to invest.

Of course, as a Government we have to balance development. We have to take care of the environment because we do not know the extent of trouble that could hit us with an unbalanced environment. I am no scientist, but I do read, and I have to wonder sometimes what is happening to our world with the changes taking place.

Some Members of the Opposition are managers in the private sector. Well, I wonder where they think the money comes from to do business for their firms. Perhaps the Opposition has to learn that there are things that they should not smear, cast doubt on and make malicious imputations about. The Opposition is sadly mistaken.

I am sorry for this country if they keep that mentality going and put together a government. Perhaps we will be a utopia like Anguilla, according to the Opposition Members. Then what people shall my people be?

It did not surprise me that the Opposition Members would try to smear the by-election in Bodden Town. It was a

clear defeat for Team Cayman. To attack civil servants, to blame the public's rejection of the bitterness, the hate and downright scandalous campaign I saw taking place tells us what to expect in the General Election in November. I do wonder whether blaming civil servants was because of their involvement in the past? I have to wonder whether, in fact, civil servants were involved in the by-election in Bodden Town, and the past came back to haunt the two Members complaining.

I do not know that any civil servant was involved. I did hear the Members making their complaint. They came into this Honourable House casting aspersions on others, saying all manner of evil, talking about calling names as if they were some paragon of virtue in the election campaign.

I think it is hypocrisy for any Member to come here casting aspersions on civil servants, trying to make them look like they were involved in an election campaign. I have a newspaper going back to November the 18th, 1988, and on the front page, entitled "Brac Winners", I see the Second Elected Member for Cayman Brac and Little Cayman with both hands in the air victoriously being held up by none other than the Acting District Commissioner at the time, Mr. Audley Scott.

You hear the acrimonious speeches about civil servants' involvement in politics. I take this example and attach it to all the other accusations that have been made about me and other Elected Members of this Honourable House. I wish to God we had sincere men in the Opposition rather than those who are not sincere.

I believe that the people of Bodden Town will have a tamarind switch in soak for the Opposition for saying that the people took money as payment to vote in the by-election. I hope they use it!

In regard to the General Election due in November, God's willing, I believe that the people of this country will in the majority choose wisely. If they choose me again I will be thankful because it is a wonderful experience to be at the helm in whatever capacity, whether as an ordinary Member or as an Elected Minister, of our developing country where so much evolved in such a short span of a year. It is taxing, and I guess we have acquired some gray hairs, but it is a privilege to serve in this House.

I do not believe that our people will turn down results for rumours, scandalous attacks and dishonest imputations. I believe the people will not choose candidates who have done nothing to prove that they can do something for this country. Personally, I intend, God's willing, to go to every district to tell the people of the good work, the good plans and projects of the National Team Government and leave it to the people to choose wisely.

The Opposition went to great lengths in the last couple of months last year and in this Session to try to make people believe that the country is operating outside of the law in dealing with its finances.

We hear much talk about contingency warrants and talk that due process should prevail. We hear that contingency warrants inhibit the Financial Secretary because he is the one who authorises them. Madam Speaker, this Government (and other governments) has observed, and we are observing due process of the Law. The Opposition should take the time to read the relevant laws such as the Finance and Audit Law which gives the Financial Secretary permission for authorising contingency warrants.

A few months is not a long time between Finance Committee meetings. We are not dealing with years where it would not matter if we took a year or two years to get to

Members. We are dealing with a few months in between Finance Committee meetings. This is what the framers of the Finance and Audit Law knew would happen. There has to be space for Government to operate and then come back for authorisation from the Finance Committee.

How else are we going to run a country? Do you think we can put a budget together with all the items on the shopping list and the wants that some Members request of us? Let the public come to us after a Budget has been passed. Can we not do something about it? Do you think we are going to wait until November when we present the next Budget? What kind of Government would we be?

We are not operating outside of the Law and it does not behove any Member to try to make the public believe that the country is not operating in a proper financial manner.

In dealing with the criticisms, before I deal with my Ministry, I heard one Member talk quite a bit about the behaviour and treatment they should get. The First Elected Member for Bodden Town said, and I quote: **"Really, I cannot understand, it is absolutely mind— boggling to me, the lack of respect and the lack of the sense of protocol that exists. It is unfortunate that the Chamber is not full because I think that is something that everyone should hear."** I go on to quote him further, **"...but certainly the position I hold in trust for the people deserves some respect, and protocol would demand certain things."**

I further quote: **"I would hope that if the shoe was on the other foot, I would not be so narrow-minded or so insular, or feel so threatened..."** and the crux of it was **"...sometimes we, as the leaders, can but lament the breakdown in the wider society because we in our position do not set any examples worthy of following."**

That was the First Elected Member for Bodden Town; coming from a Member who refuses to come to prayers of this Honourable House.

Mr. Roy Bodden: Madam Speaker, on a point of order.

POINT OF ORDER
(Misleading)

The Speaker: May I hear the point of order First Elected Member for Bodden Town?

Mr. Roy Bodden: Madam Speaker, the Honourable Minister is misleading the House when he says I refuse to come to prayers. I pray in this Assembly as I am supposed to pray.

The Speaker: Honourable Minister, what the House does outside of its normal sitting hours is not something for which a Member should be castigated or otherwise.

Would you please refrain from that? Thank you.

Hon. W. McKeeva Bush: Madam Speaker, I understand your ruling. But I am drawing from what the Member has said about protocol, the lack of respect and the breakdown in the wider society because we in our positions do not set any examples worthy of following. I am not talking about in the House. I am talking about an example where we pray together as Members outside of this House and he refuses to come.

Mr. Roy Bodden: I do not sup with publicans.

The Speaker: Honourable Minister, I have said that is not a part of what goes on here. We are only concerned with what goes on in the House. Please do not continue in that vein.

Thank you.

Hon. W. McKeeva Bush: Thank you, Madam Speaker.

The Member proved my point when he said he does not sit or sup with publicans. It has proved my point. I have gotten it across.

Taking from what he said here Madam Speaker, I only want to say that we should be honest. We should not be hypocritical in our actions and speeches in this House.

Mr. Roy Bodden: "Physician, heal thyself."

Hon. W. McKeeva Bush: I have never purported to be something that I am not. Perhaps it is the only reason why some people do not like McKeeva - it is because I am so clear, I am not transparent.

The First Elected Member for Bodden Town talked about the absence of a library for Bodden Town, yet he asked for one sometime ago. He went on to say that they would help with computers. You come down to the 11th hour during an Election year and talk about 'You would help'? Why did he not do so before this time?

Let me say something: It is not for the want of a public library in Bodden Town why he carried out his suggestion. They have a Town Hall which is empty most of the time, a big Civic Centre which is empty most of the time. It is not for a shortage of buildings in Bodden Town, it is because they spent their time doing something else - holding meetings, forming political groups and talking about the National Team. The hour is late to come now talking about 'he would help.'

They are so quick to impute false motives and insinuate bad things that they do not pick up the Budget of this country and look inside to see what exists for their own districts. They are so willing to paint Ministers ba... I am sorry, Madam Speaker, I had hoped not to have to refer to them, but these are things which they have talked about. If the Member had picked up the Annual Budget and looked on page 402 he would have seen **"...conversion of a district library in Bodden Town plus air-conditioning for \$80,000."** It is contained in the Budget. He is so quick to say that the Government is doing something wrong.

The Second Elected Member for Cayman Brac and Little Cayman lamented the fact that Mrs. O'Connor spoke at the meeting of Executive Council with the citizens in Cayman Brac. I do not know why he should be so hot about that. She wrote a long list of the things she thought would help the Brac. The young lady is constantly writing to Ministers of Government asking them to do things in Cayman Brac. Something the Second Elected Member for Cayman Brac and Little Cayman has never done.

I appreciate that Mrs. O'Connor and the First Elected Member for Cayman Brac and Little Cayman (usually not together but separately) write and ask for things, or suggest what can be done and needs to be done in Cayman Brac.

The Second Elected Member for Cayman Brac and Little Cayman got on his hobby-horse again trying to protect his candidate, the former Member for Health, when he talked about this commission that was set up and nothing was found to be wrong. I said at the end of that commission, and I say again, the Government would not have gotten a good

hearing because the star witness died and took the evidence with him. Certainly, if I had the evidence that he had, the evidence he showed us... and remember he would not give it to us because the former Member had fired him and they were fighting so he was trying to have leverage over the Government - copies of the cheques for \$75,000.

Madam Speaker, believe you me, they would not be able to stand in this House and talk about nothing was found wrong. There were a lot of things radically wrong with what happened.

Mr. Roy Bodden: (*Inaudible interjection*)

Hon. W. McKeeva Bush: Yes, if some people would do their work, there would be no need for them to come in here and ask for things that are already being done.

I believe that we have done the right thing. We did what the two Members and the public wanted with the hospital. do not think that they are getting anywhere with their confused state of mind about this hospital.

The Second Elected Member for Cayman Brac and Little Cayman went to some length about Hospital Apogee Medica and someone writing a letter to me calling me "His Excellency." Well, I am glad that somebody mentions something positive because what the Opposition usually calls me cannot be put on the air. Sure, someone put forward a proposal to do a hospital here, but it was not all what the Government wanted. While there were some positive things about that proposal, there were things that we could not support. No one hid anything about the proposal.

I want to read from the *Hansard* of February 1993 where I said: "**Recently a group of investors from out of the United States and Europe mixed together came to have a look-see at that hospital. They said that anybody building a hospital in that swamp must have been crazy. They want to do some development in health facilities and they have a pretty good plan, but they refused to go in that direction.**"

On top of that there was an article in *The New Caymanian*, Friday 10th - Thursday 16th, December, 1993, and this is what Dr. Mobley said in an interview: "**'It is not an indictment of the original design', says Dr. Mobley, '...but our structural engineer had some reservations. I am in no position to say whether the site was sealed properly. On re-examination we decided it was not an appropriate site to put down a hospital. Constructing a road to the site (which would have proven to be costly), was one of the main reasons for abandoning the business plan', he said.**"

I think the man said they wanted to build a hospital, and in this article he says that the plan was before he learned about the abandoned hospital. It further states: "**...Once the investors learned about the incomplete hospital they visited Grand Cayman.**" This is what the doctor said. Well, does this not tell us that Government stopped it before talking to the people, and that it could not have been as the Second Elected Member for Cayman Brac imputed?

What is strange (but then nothing amazes me), is that he produced a copy of the business plan - copy No. 2. I have copy No. 1. The only two copies that were circulated. But these are the times we live in, and if anyone thinks they are fooling me, they are making a big mistake. For when they believe that they can hand out information to try to make someone look bad and that they can fool Ministers..., there are ways and means of knowing where the information came from.

I am happy to report that over the past year the Social Services Department continued its various programmes and activities. It had the very difficult task of helping with the preservation of our social fabric. Last year was an eventful one for them. The new year commenced with the department still being very much involved with the care of almost 1,200 refugees at Tent City.

Without fail, the two Opposition Members have said and imputed all kinds of evil concerning financial assistance to the elderly and handicapped persons and the ex-servicemen, as they have done with all of my programmes. They talk about getting votes and mentioned something about a fund with a business person calling it a "slush fund." Whoever this business person is, if he went that far into a conversation with the Second Elected Member for Cayman Brac then he is in the same category. The Holy Bible says; "**As a man thinketh, so is he.**"

While listening to the two Elected Members I had to wonder what it is that they want, and why it is that they are not consistent, because I find inconsistency a brother to instability. When you examine what the Second Elected Member for Cayman Brac says, and I quote him, regarding Social Services: "**That is perhaps one of the most taxed areas of Government. For there are not sufficient persons to do the job required of them.**"

He went on to say, "**I believe that those people in the Social Services Department have a higher degree of stress as the distressed persons who often go to them daily for assistance.**"

Then he goes on in another statement to say (and this is where the inconsistency comes in): "**However the point I make on it all is that within a Governmental framework this matter of payments can be handled directly by the people in the Social Services Department who can make determinations.**" What is it that they want?

This is the worst kind of political game... or is it that the Opposition is so confused they cannot, or refuse, to think straight? It is impossible for any reasonable person to hold an argument and make a case saying how someone is overworked, yet say in the same breath a few minutes later that the same person should get more work.

The Speaker: Would this be a time where we could take the luncheon suspension, Honourable Minister?

Hon. W. McKeeva Bush: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended until 2.30 pm.

PROCEEDINGS SUSPENDED AT 12.44 PM

PROCEEDINGS RESUMED AT 2.41 PM

The Speaker: Please be seated.

The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture continuing.

Hon. W. McKeeva Bush: Madam Speaker, when we took the luncheon suspension I was dealing with the Opposition's criticism of the financial assistance given to the elderly and handicapped.

We have no apologies to make regarding moving the responsibility of financial assistance from the Social Services Department to a Committee in the Ministry. I stated in December that a Committee made up of staff from the Minis-

try and from the Department of Social Services would be the persons handling this matter. That is what is happening.

There were accusations made that we were peddling the assistance to the elderly for votes and that I, as the Minister, was involved. I, as the Minister, in no way have any influence over who gets that financial assistance. One thing I do know is who, in my district and other districts as well, needs assistance. I do not need any degree in social work to recognise who is in need. My knowledge of the people I serve, practical experience with their situations, and my deep concern for those in need in this country is sufficient. I do not sit on the Committee to pass judgment on who should receive and who should not. The Committee deals with the applications.

A few days ago I read from the application form while responding to a question in this House. That application is no different from the one Social Services is using.

As a representative of the people I do what I have always done, that is, refer people to the Committee. I wonder if because the two Elected Members complaining are so interested in who should or should not receive assistance is why they have not made any referrals to the Committee? This is what representatives should do; if they know of someone they refer them to the Social Services Department. The people in my Ministry are just as qualified to handle the situation. No one in the Ministry writes a cheque, the Treasury staff does this, as is usual.

The First Elected Member for Bodden Town stated that he wants an explanation as to why the system has changed. As I have said, I gave that explanation in Finance Committee in the November meeting.

The Elected Member spoke about the need, and to quote: **"...of keeping an impersonal relationship. It would be one way of avoiding controversy, suspicion and accusations, especially in this election year."** Are you kidding? Do we really believe that the Member and his colleague who criticise the financial assistance would not be doing the usual thing of making accusations and insinuations in order to make us look bad? I do not think so. But let me again explain, and hopefully the two Members will understand this time.

The system, as of December last year, was administered by social workers who are the advocates for their clients as well as the bearer of arms. This leads to jealousy and resentment as individual clients feel they do not get their rights. Every Member of this House has heard complaints from Caymanians, whether it is true or not, that foreigners are being favoured more than they. It has been the established practice for several years that social work in the Cayman Islands be operated through a fully qualified work force, therefore all social workers have had at least three years academic training at a University in the United States, Canada, Britain or the West Indies, to the level of a Bachelor's degree in Social Work. This academic training is essential for social workers to have the necessary skills to deal with the very complex social problems which exist in our islands today, such as, child abuse and juvenile delinquency.

However, social workers spend at least two days per week on the administration of financial assistance, much less to say having to go out and take down information.

As far as I am concerned, this is an expensive waste of the resources at a time when other social issues urgently require professional attention. To me as a Minister, the humane, empathetic, sensitive approach required of social workers in

their professional life does not equip them well for administering these funds.

There are many pressing social problems impinging on the lives of ordinary Caymanians. These problems can be frequently addressed by individuals who have the support of skilled professional counselling. The social work staff is just such a group with training in many disciplines, including Sociology, Human Growth and Development, Psychology, Social Administration, Criminology and Law. These practitioners (our social workers) should be able to make people function better in many different ways and in various settings.

The supervision of offenders in the community must be a high priority for the continued reputation of these islands as being relatively crime free. Social Workers have the skills to make a difference in the lives of these delinquents, but have case loads, of enormous size because of financial assistance which, in my opinion, prevents any meaningful intervention. Other social problems, such as marital disharmony and spousal abuse, are becoming increasingly visible in our society, and are not being addressed because of different priorities in the allocation of work.

I believe that the administration of the financial assistance should be taken out of this subjective environment and be placed separately as happens in most developed systems, whatever the political colour of the administration. Britain, Trinidad and Tobago, the United States of America, Canada and Bermuda, for example, all separate the social assistance (or financial assistance, if you may) from their Social Services, Children Services and Human Services.

What I am trying to do is to begin a service that will give our elderly people who have no income, and the handicapped, some dignity and relief from the poverty which they are experiencing, as their just and fair entitlement according to the criteria that the Government laid down. It was accepted by the Finance Committee in the meeting dealing with the Budget.

It is strange that while those Members criticise they have no better suggestions. In fact, they did not vote against the move in the Finance Committee. It is on record. Yet, to come here to this Honourable House and make the world believe that something radically wrong is being done with the finances of this country is nothing short of dirty political tricks in this election year.

If the First Elected Member for Bodden Town and the Second Elected Member for Cayman Brac and Little Cayman (and anyone else for that matter) does not want these changes, then there is always the Election and they can try their best there. But as of now, I am going to see that our elderly and needy persons get the funds that have been voted for them [in Finance Committee]. These are the people who have built this country.

We hear a lot said about who has done what in this country, and just think where we were some years ago. Think of our elderly people, some of whom are not coping well with the Cayman of today, or the cost of living of today because they worked at a time when salaries were low. So, if they were lucky to have a pension - the vast majority of our elderly people over 60 years of age are not receiving pension (if they worked in these islands) because of the forces that say: They should not have received a pension).

Look at the number of women in our community who have worked in the hotel industry. For instance, who do we think made that tick a couple of years ago before the flood of new-corners? Who made that work? Families and children were left along while those women worked two jobs sometimes. I have not forgotten these things, Madam Speaker. I simply speak from experience. Any Member who throws cold

or dirty water on this programme of Government should be ashamed of themselves.

Just think of the men who went out to the Mosquito Quay and braved the weather. Some did barking. The little industries that were here back in the 1940s and 50s. Some of them are still alive today. We cannot make children do for parents because a lot of children have their own responsibilities with children of their own.

I get very upset when I hear about some business persons calling this vote a slush fund, because those same people probably were the masters of the old days who worked our people like slaves. What I say to Members in this House is that they should be out in their communities looking at needs and making suggestions, making referrals, and telling the people if they are in need where to get help. But as for this talk about the social workers, they have a job to do that they have not been able to get done. The Second Elected Member for Cayman Brac and Little Cayman criticised me and has said this. They have a job to do in trying to deal with the many problems which cannot be addressed in this country. They are the ones who are equipped to do it. They should be dealing with these problems. So why throw dirty water on something as important as this vote.

Not much good was said about the assistance for the veterans. However, never in the history of this country has a more humanitarian decision been made than the one by the National Team to give the veterans some assistance. Veterans, wherever they were, did a great service not only to this country but to the world. If we think back to World War I, where I understand about 15 million men sacrificed their lives, that was supposed to be a war to end all wars; to reject once and for all the idea that might is right. When World War II proved that hope was in vain, freedom loving nations sacrificed another 10.5 million lives. That time it was to save the world from tyranny and to preserve what we refer to as 'our free democratic way of life.' Some veterans gave services on the frontline of the battle fields, others did their part by assisting in many ways. Innocent ships were torpedoed and seamen lost their lives. That was happening right off our shores, as I understand it. Those who survived the battle would not have, were it not for the battle ships; the supplies carried by men who did not experience fighting, but who did their part to make sure that their comrades were kept in food and other supplies. Who carried the ammunition? Who carried the other supplies?

For all the talk about who should and should not get assistance coming from the Second Elected Member for Cayman Brac and Little Cayman, it took everyone working together to rid the world of the Axis Force.

The two Opposition Members and others who might have nothing better to do, can talk all they want. As long as I am the Minister responsible for veterans' affairs, veterans will get the assistance from the Government because it is something that should have been done many years ago.

I heard the Fourth Elected Member for West Bay saying that this was something that had started from 1945. Who did it? Did anyone come up at times when the country had \$30 million in General Reserves? The times of Benson Ebanks? No one offered to do anything. To those living veterans or their spouses living overseas, should they be in need and inform the Government we will bend backwards to assist.

I do pose the question to those persons who say that the men who served in the Vietnamese and Korean Wars should not get assistance, but at the same time say

that those living abroad should get when those persons could be collecting social security or other pensions: Is this fair? Do you mean to say we should not give those in need here in Grand Cayman, but we should give to those who collect a pension overseas? What kind of logic is that coming from the Second Elected Member for Cayman Brac and Little Cayman. It is just something else for him to complain about.

He made a lot of noise about me handing out cheques. Tell me what was so wrong with me handing the cheques out in public to deserving veterans. I was not taking anything from anyone. I did not prepare the cheques, nor did I prepare the applications. The staff did the applications and the Treasury did the cheques. I was giving them out.

The Second Elected Member for Cayman Brac and Little Cayman made mention about a cheque for someone who is dead in trying to say that the staff did not know what they were doing. But if he was so interested in such an incident why did he not ask for the facts regarding the matter, instead of coming into the House to talk about dead people?

The truth is, we had a few cases where old men had made application to the Ministry but before they could get the cheque they passed on to glory. The cheques were already printed by the Treasury, so, of course, we sent them to the surviving spouse. What a thing for him to bring up.

If I had my way, all veterans would get the financial assistance. I am one person, and we do have budgetary constraints. It is time that one and all leave well enough alone in this matter of pension to ex-servicemen. Stop making a political issue of this worthwhile cause. I say to the public, it is time for one and all to stop.

You know, that is one of the things wrong with this country today; we cannot bear to see somebody else get something even though we might be getting it also. That is why Caymanians sometimes fall behind and others move forward much faster. It is indicative of a wider scenario; jealousy is a bad thing, envy is a bad thing. I say, leave well enough alone.

Regarding this letter mentioned by the Second Elected Member for Cayman Brac and Little Cayman which was sent out from the Minister, I have no apologies to make. When that group wants to curse and blame the National Team for things when they go wrong, they do it. They say the National Team did it. Well why should I not say that the National Team Government did this excellent thing?

I saw a letter in the newspaper signed by one Benson Ebanks - it is now in the hands of my lawyer - but if he was so interested why did he not do something for the veterans and the elderly people when the country had a lot of money? Of course, he did such a poor job with education and left us with this mess... but we cannot do things for people if we do not care about people. If you do not care about people you will not do anything for them. That is the best thing that I can say about Benson Ebanks.

I have said it before that were it not for the National Team's will and my drive and commitment to see this thing through, the veterans would not get the financial assistance they received. Team work! Yes, we have an official arm of Government, but my Ministry is charged with that responsibility and they supported the policies of the Government. A long time has passed when the country had a lot of money and no one did anything about it. Yet they are kicking up a lot of fuss today about this veterans' pensions. If the National Team does something good, say it is the National Team. They certainly blame us for a lot of things we have not done, and make accusations about things we know nothing about.

What is wrong with the veterans' pensions? Can the Member tell me, Madam Speaker?

If I have a policy and it translates into votes..., that is what a politician is all about. People will make their judgment accordingly - they are not stupid. People know, they understand. But that is the Opposition's big scare. The National Team must not do anything because they might get votes. Then, when we do nothing, they say, "Why are you not doing something? I really hope, as I have said, that the Sodden Town[ers] whip them soundly and send them out in the wilderness.

For the first time in the history of these islands Community Development Officers were placed in the districts. There were only three posts approved, one was placed in George Town, one in West Bay and the third one covered North Side, Sodden Town and East End. The officers were appointed at the end of May last year and, before going out into the field, they all had to undergo a month of rigorous in-house training.

I have advocated these positions ever since I have been in this House, and it is my intention to have another officer in place shortly. I remember a Motion in the Finance Committee, moved by the late Mr. G. Haig Bodden and I, to get a social worker for Bodden Town. It is not since today that I have been interested in Sodden Town. I am thankful to the Government for the Community Development Officer in East End who covers the eastern districts and the appointment of a new person for the Bodden Town Electoral District.

It took a long time to get someone placed there because it was about 10 years ago that the Motion was passed. I am proud of that. I have visited all my Ministry's programmes in the outer districts and I am indeed pleased to see the kind of harmony and community spirit that exists in Bodden Town with people trying to get things done for their district. I am proud because that is the Caymanian way of the past when we used to help each other. So I am really proud to see the kind of togetherness that exists. It speaks well for a good thing and I say to the electoral district of Sodden Town: Keep up the good work regardless of whom you support, because it is your district, it is where you live (perhaps work) and sleep with your children. You can only get a better community if you work together at it. For those who do not come out and assist them, they know what to do with them in the Election.

The Community Development Programme is a new strategy being used by the Department of Social Services for service delivery. Its purpose is to facilitate community organisations, to coordinate resources and to encourage the community towards its own problem-solving efforts and shared goal achievement.

We heard sometime ago, when the Second Elected Member for Cayman Brac and Little Cayman was speaking, that this money given as a grant for the community was wrong. Why is it wrong? Why is it wrong for the Government to give funds to a community that is doing something to assist themselves?

Take the Bodden Town project, for instance. The Opposition Members spread all manner of evil about that project last year. But use it as an example, the people of Bodden Town are building that project and it is going to be worth a lot of money when it is completed. Government has given them a few thousand dollars, but they put in the labour. Now these are things that we are saying need to be done in our communities. Well then, how much more would the Government have to put in if no one does anything to assist? Is it

not a partnership that we want in this country where the Government gives some and the community gives some? Is that not better?

Why take it upon ourselves to criticise and exaggerate and say all manner of evil against the people who are doing it, trying to make them look as if they are criminals? It is wrong for Members go come into this House and do that. It is a downright disgrace when good honest people in the community, upstanding citizens, go out of their way to do something. Some of them are old and may not live a long time to enjoy these facilities, but certainly our children will. Why criticise them and make the world believe the money is being used for other purposes? It is wrong.

As long as I am the Minister responsible, that is the way we are going to try to do it - a partnership. If the community can do something to help themselves we will give them a small grant and they have to make it accountable for the Auditor General. That is the way it should be.

I saw the Breakers project and I said, "Look at this. This is what \$30,000 is doing. This is what all the noise is about, a big play field for the community and a play ground for the children." I went there (and we know it is not a big community) and they had a group of young men working there together. Government does not have to come up with the hundred of thousands of dollars that it would take to build a play field and to put in a play ground for children. Yet the Second Elected Member for Cayman Brac made a big to-do about this vote. He questioned the vote, "it was not for sports" as he said. It was for the public park in West Bay that is being built between Scholars International and the Government. How else are we going to get these needed facilities for our people? We all cry the need for social development and positive programmes and places for our children to go and things for them to do. Yet, when we give the funds to assist a big racket is being made trying to make it look as if there is no control of finances in the country.

That is the job they are trying to do. They started it last year with a Motion about Financial Responsibility. What we need is more responsibility from the Opposition. We have enough Laws on our books today to do anything, enough to run three countries perhaps. What we need is for them to be more responsible and to stop throwing dirty water on these worthwhile projects.

When you look at the efforts made in George Town (and I hear some of the young ladies on Radio Cayman talking about the efforts that were made in the Watlers Square project) by one Community Development Worker and the community working together; galvanising the positive forces in the community; yet you hear them say, 'The National Team did not do anything,'... well who did it? If we did it, why should we not say we did it?

The Adult Special Needs Programme continues to provide care and assistance to clients at the Social Services Department who are unable to care for themselves. Most of these clients fall into the category of elderly, dependent, home-bound, mentally or physically disabled, in failing health and economically indigent. This programme is headed by a Supervisor and is staffed by 35 Community Care Workers in Grand Cayman, 15 in Cayman Brac. We are going to revamp the Cayman Brac system which I will talk about a little later on.

It provides direct care services to individual clients throughout Grand Cayman and Cayman Brac. There are currently over 80 clients in the programme. While the Department is doing a good job, it is concerned with the increasing numbers of referrals it receives.

During this year, we hope to closely monitor the elderly population in order to accurately identify persons needing assistance. The Department has recognised the urgency of educating the general population to become sensitive to the needs and concerns of the elderly. So this year we hope, through public education, to encourage and motivate families to be more caring and responsible for their aging family members.

In addition to maintaining clients in their homes, at the Sunrise Cottage in East End and at the Pines Retirement Home, the programmes also caters to 15 adults at a Day Care Centre located in the West Bay United (which is now the John Gray Memorial) Church. We are grateful to the church for its assistance given to the Government.

This year the centre will be relocated to its own premises where a small residential component will be put in place. It will double as a residential facility and a day care facility for the elderly. The property has been purchased in West Bay and we hope to get the programme off and running, hopefully, by May.

In the district of Bodden Town an Adult Day Care Centre will commence this year in the facility bought for that purpose in 1995.

We can never do too much for our old people. They deserve everything that this country can do for them. When the lady Member for North Side was speaking she made the point that it was the elderly people in this society who built our country. We should do everything we can for them. She has made representation about the needs in her community and hopefully we will have some funds so that we can start this year with the programme. At least we hope to get plans drawn so that we can see the facility that would be needed.

The Cayman Islands Marine Institute continues to provide rehabilitative services to young persons with severe behavioural problems at the Bonaventure House. The centre now has an enrollment of 35 students with a further five on the Social Service's waiting list. This is the highest enrollment since the inception of the programme. We have about a 95% monthly attendance rate with 50% of our students having perfect attendance. I think this is good.

A new component has been added to the daily programme (that is, the Cayman Counselling Centre) which now conducts counselling sessions three times per week at the Institute.

One of our students has started a course in the Community College while two others have started working three days per week.

A number of students have started part-time weekend jobs. The students are doing so well that we can make them become involved in the community. They have assisted at the Pines Retirement Home.

Last year two students completed the programme and are now employed in the private sector. We heard a lot from the First Elected Member for Bodden Town about the failings of the programme because we never had more than two people graduating. It is not a programme that just pushes them out. It is one that works with them and their families to try to bring them around in the community.

Contact is still maintained with those young men and their employers through the Programme's Community Coordinator. I make my enquiries of their welfare and performance and, I must say as the old people say: So far, so good.

Students currently attending the institute are at various stages in the programme even though the programme is still quite new and will take several years to achieve all of its objectives. There are encouraging signs coming from its first year and a half of operation. There has been a marked decline in juvenile crime statistics over previous years. I feel that this can be partially attributed to the success of this programme and the work done in other areas in the community.

The Speaker: Honourable Minister it is now 3.30 p.m. I understand that all Members of Executive Council have a meeting to attend. At this time I would entertain a motion for the adjournment until Wednesday.

ADJOURNMENT

Hon. Truman M. Bodden: Madam Speaker, I move the adjournment of this Honourable House until Wednesday morning at 10 o'clock.

The Speaker: The question before the House is that the House do now adjourn until Wednesday morning at 10 o'clock.

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

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until Wednesday morning at 10 o'clock.

AT 3.31 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM WEDNESDAY, 13TH MARCH, 1996.

**EDITED
WEDNESDAY
13TH MARCH, 1996
10.16 AM**

The Speaker: will ask the Honourable Minister responsible for Agriculture, Environment, Communications and Works to say prayers.

PRAYERS

Hon. 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 II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated. Proceedings are resumed.

APOLOGIES

The Speaker: I have an apology for absence from today's sitting from the Honourable Minister responsible for Education and Planning.

Government Business. Continuation of the debate on the Throne Speech. The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

GOVERNMENT BUSINESS

DEBATE ON THE THRONE SPEECH DELIVERED BY HIS EXCELLENCY MR. JOHN W. OWEN, MBE, GOVERNOR OF THE CAYMAN ISLANDS, ON FRIDAY, 16TH FEBRUARY, 1996

(Continuation of debate thereon)

Hon. W. McKeever Bush: Thank you, Madam Speaker. When we took the adjournment on Monday I was

dealing with the Cayman Islands Marine Institute, commenting on different programmes at the institute, and I made the point on how well the students are doing. Lastly, I would like to say that we are planning a Girl's Resident Programme which was in the newspaper I think yesterday, Tuesday, 13th March) to provide eight beds for short-term stay. Presently the girls must remain at the West Bay Lockup because we are unable to provide overall services which we currently provide for the boys as far as the residential facility is concerned. While we do not have a lot of girls in the programme, there is a need for a girls' facility at the Cayman Islands Marine Institute.

I would like to offer my sincere thanks to the many persons in the community who offered assistance to the institute. A lot of people contributed in different ways. The Justices of the Peace have paid special attention to the institute, and I thank them for their concerns. Some of them serve on the Board.

I would also like to thank the Members of the Board. The Board has the kind of people on it who are very conscious of the needs of young people. They are assisting us not only with the institute, but are very involved in the need for a remand centre. I do thank them for their sincerity and efforts.

On the subject of a remand centre, plans are underway for the development of a system to meet the need for a secure accommodation for juveniles. The Department of Social Services is being advised by specialists in the field in the United States and the United Kingdom. In the interim, however, juveniles who are felt to be in danger to themselves or others are detained at the West Bay Lockup which is currently on the way to being refurbished. Arrangements have been made with the Director of the Marine Institute for support from that programme to these students. That support can consist of day release to the Marine Institute or, in the more high risk cases, the provision of educational and recreational material as well as counselling to enhance the quality of life in the West Bay Lockup. Most juveniles awaiting trial or sentences remain at home with close Social Service supervision, if required, or are in attendance at school or at the Marine Institute, but are restricted by reporting requirements or curfew.

Until we have a remand centre... and I believe we have some funds in the Budget and we should use the abandoned hospital site, since we have put so much funds into it for the maintenance of Cuban refugees and to utilise it in many different ways for a correctional centre. I would hope soon that one of these days (although it could be the case that we may never) we will be able to have those children who are sent to the United States remain in the islands in our programmes. That, as I have said, may never be the case because of the different types of behavioral problems they experience, but I am hopeful.

Madam Speaker, in June last year the Children Bill and the Youth Justice Bill were passed into Law. The Children Law is part of a comprehensive and far-reaching review of the legislation pertaining to children in the Cayman Is-

lands. It is partner to the Youth Justice Law which seeks to reform the Criminal Law relating to young persons. Details of the two laws were provided during the March Session of the House last year. The Bills were circulated among the general public for input several months prior to being passed. These two Laws, particularly the Children Law, represent the fundamental changes in the manner in which the Social Services Department, the Department of Education, the Legal Department and the Judiciary act regarding issues of child affairs.

The introduction of the equivalent legislation in the United Kingdom saw a preparation period of two years with all persons using the Laws to be trained. A preparation time of one year is the minimum required for the Children Law, and most of the provisions included in the Law can be applied from January 1997, that is, next year God's willing.

In December of last year the Social Services Department conducted a one-day workshop to explain the two laws to Ministry staff, Social Workers, Justices of the Peace, Education personnel, Courts staff and all other users of the Law.

We are experiencing problems with young people as some Members have mentioned. I do appreciate the constructive remarks from certain Members of the House, however, the Opposition demonstrated their nonsensical and reckless indifference to the needs of young people to have sporting facilities. How can anyone who is a parent, a representative, and one who even purports to lead a political group, put forward the suggestion that too much money is being spent on sports, but that the Government should spend more money on the courts?

I would ask the Second Elected Member for Cayman Brac and Little Cayman, if this is the position of Team Cayman? I agree that the Courts need space. It is now over 20 years' old and I guess it is being used much more than was envisioned back in the early 1970s when it was built. God knows we have much more development and the need for it. Cayman today is an international centre. No one denies the need for space at the Courts. I put forward the idea sometime ago we could perhaps go upstairs with the building. It looks like a building that was made for something to go upstairs. But the response was that there would be no parking. To be able to park somewhere close to where you want to go these days is something that can no longer happen in George Town. We will no longer have the days where we could park our cars by Barclays Bank's front door and run inside and run back out. We just cannot do that anymore. Time has evolved, and I believe that we need to give people the incentives through Planning, to move further out of town as far as development is concerned. Be that as it may, space is needed and there is a problem in the Courts. But our children must come first.

How can anyone bemoan juvenile delinquency and the problems of young adults and other problems in the society, yet totally disregard the programmes that are used as preventative measures to combat the negative influences which impact on our children? I cannot understand that kind of reasoning.

Is the Courthouse and Prison not the end result of the thoughtless and don't-care attitudes by persons who should have been in the forefront of a meaningful policy for prevention in this country? Government over the years has spent a tremendous amount of money, millions of dollars on

police, courts and prison. In the last eight years alone this country has spent over \$100 million on police and prisons.

I was berated (and I know that there are people not only in this House, but on the outside who constantly berate me for spending money on sports), saying that we are spending too much money on sports. The Second Elected Member for Cayman Brac and Little Cayman, said that we should spend money on the courts, education and health care and not on sports.' Those were his exact words. As I said, in the last eight years this country has spent over \$100 million on police and prisons. From 1993 to this year (1996) this Government has spent a total of \$67.3 million on health care; we spent \$80 million on education. So we are spending on these important areas. This is good, it is what is needed and this is the only way we can get anything - by spending money.

I ask the question: How much was spent on sports? We have spent less than \$7 million and that includes salaries for sports personnel. Less than \$7 million! If we do not give our youth facilities to carry on these programmes, then we can build prisons in every district. We can employ 2,000 police officers; we can build five hospitals and will still not have enough space to hold all the young criminals who will be imprisoned in the country. We have to spend money on our children.

The First Elected Member for Bodden Town mentioned young people with machetes on their bicycles. He, too, bemoaned the need to do more. We will have them carrying more than machetes if we do nothing.

We are no longer able to feel the freedom that we felt when I was 13 years old. Nobody feels that way anymore, when we could leave our cars open, leave our doors open. Times have changed. That is progress, and some people say we should not say that it is progress, but it is a sign of the times we live in.

I listened to a tape of one of the meetings of the Opposition. There were the two Opposition Members mouthing off the Government with their scare tactics: We were going to give young people guns. They were criticising the idea of a Cadet Corps. While I know that idea was not taken up by the Government, I believe an editorial was written in the newspaper saying that we do not need it. I am not sure of the full tenor of the editorial. But I say this today without any apologies: The country needs something to instill discipline and give the kind of rigid programming that will curb some of the kinds of behaviour by youths, as the First Elected Member for Bodden Town mentioned.

Sports alone will not reach all the youths of this country, and I believe, that something such as a cadet corps can work. I looked at one in Bermuda and it is doing well. There is one that is working well in Barbados.

It is no use complaining about the actions of young people and about what they say to you on the streets that cannot be said in the House. It is no use complaining about the delinquent behaviour in our communities if we are unwilling to do the things that are necessary; to stand firm, to put aside political propaganda, to put aside the feeling that the Government should not get anything done because it will give me a better chance to beat them at the polls. Put aside those feelings, or else this country is not going to get anywhere.

The First Elected Member for Bodden Town said that I am preaching to the converted. Well, why do they

preach differently in the public? They have opposed practically every programme that I have brought to this House, the very things that could help the same things they complain about. I tell them that not all their fowls have come home to roost as yet. They are going to swallow many of their words and criticisms.

We began our administration in 1993 with a policy and a mandate to bring about a change to the deterioration in the social sector of this country. We have not accomplished everything we set out to do; nor could we do so in four years, given the budgetary constraints of the country, and also the sheer man-hours needed to complete the many things facing the country. But we have made strides even though the reshaping of our childrens' future has not been an easy task.

I would like to give this House an update from the Juvenile Court's statistics which I think bear out my point of the strides we have made in the country. We have seen a consistent decline in juvenile criminal cases in comparison to 1992, we can say today it is better - praise God. In 1992 the number of juveniles sentenced was 335; in 1995 the number was 115. I think we should say: Thanks be to Almighty God.

I want to look at some of these statistics. When we examine them we see that in 1992 we had crimes committed by juveniles from the age of 10 years old. In 1995 we had no crimes committed by that age group.

In 1995 the youngest juvenile convicted was 11 years old, and in 1992 there were four 11 year old juveniles convicted. Most of all, I am pleased to see the reduction of youths in trouble with drugs. For all the accusations that have been made regarding myself and the Government, these statistics make me feel good. As I have said, what is important is that we have seen a decrease in the age groups of children who are convicted.

When we look at the juveniles convicted for drug offences in 1992 for the possession of ganja, there were 11; in 1995 only three were convicted with possession of ganja, with intent to supply - two, in 1995; one in 1992, consumption of ganja - 14, in 1995 - 5 possession of cocaine - 4, in 1995 - none; possession of cocaine with intent to supply - 5, in 1995 - none; consumption of cocaine - 2, in 1995 - none.

One of the things that I am most interested in, because of a Bill to come before the House (and Members should take note of this) - burglary - 118, in 1995 - 2; theft - 16, in 1995 theft and attempted theft went up by three to 19. The crimes dealing with traffic offences are 85 in 1992 and in 1995 it went down to 45.

Madam Speaker, who can say that our efforts are not being rewarded? Who can say that we should spend more on the courts and not spend money on sports? Who can say that we should not give funds to Breakers to do a public park/beach, but should spend it on the courts? Who is to say so? While we do have problems, these statistics (and we have to go by statistics) are proof positive that the efforts made by the Government (and the new spirit that I see) in the country is paying off. I know we are going to have some cases made that is was not due to this, but I am waiting. So, while we do have problems, we have a long way yet to go. That is why I am saying that I am hopeful for the 21st century.

While parental responsibility is much farther away than where it needs to be, I believe in the country. There is a realisation by one and all that Government alone cannot do

it. I know that pressures to make a living and paying the bills continue to drag our people down, but I say to parents; spend more time with your child/children! It is not good enough to just send them to school, we have to make sure that they study and do their homework.

The stresses on us all makes it difficult perhaps for some of us to remember that the richness of life is found in slower moments, that the formation of creative young minds is accomplished not only by the hours spent in the classrooms but, as one writer put it; **'...also by watching three branches move and the dust fall. And that love within our families flourishes when there is time for love.'** Of what good, I ask the country, is two cars in the driveway and a four bedroom house, if we lose our children? Yes, we must try to give them a better life. I certainly did not want my children to grow up knowing the things that I had to do without, such as going to Sunday-School bare-footed and having two pairs of pants. I remember washing one and wearing the other the next day to school. Today some parents can give their children five dollars to take to school. That is good. But of what good is it if we do all of that, give them all of those things and then leave them to come home alone and watch television and for the television to be their role model?

By God, what I see on television at times is not good enough for adults, much less young elastic minds. I am not criticising any entity in making money. What I am saying to parents is that it is their God given responsibility to do more. No matter how good our homes are, our children can get into problems if we do not pay attention to them.

I love my wife and family, but that does not say that problems will not take hold. As my mother used to say; you cannot keep the children around your frock tail all the time. It is impossible.

So all the gloom and doom that is preached by the Opposition does not bear out what they have said. There is a new feeling in the country to do more. There is a decline in what was found in 1992. I believe that the decline in juvenile crime is a sign of the community and Government working together. This is power! This is the only way to bring about social changes. Not by fighting each other; not by tearing each other down; not by telling people that the Government is corrupt like Nigeria or any other country.

I believe the future will get better if we work at it. As we join together and find the strength of our commonalities. I believe from what I have seen in our social development, from the Community Workers in Bodden Town, those in Watlers Road (where I believe the biggest impression was made), a new web is being woven - and it will come slowly, but it will come. We can see it, feel it and we can hear it coming. Although we still hear the old weaving of the web as it woven, we can also hear the sound of strands being pulled across, new stands being created - the strands of time and trust returning.

We are doing well and while there are still problems, we are doing much better than the Opposition is giving us credit for.

The Governor made mention in the Throne Speech of the development of a youth band and that is planned for this year. I believe this is necessary to start preparing for a National Orchestra which is also necessary for our cultural development.

I am pleased (and I have always noticed it) that there is a tremendous amount of natural talent in our country

especially among our young people. If they are harnessed and trained and given a chance we will see results. Look at the results! We only have to take a glance at the results from the Overseas Music Examinations in which our Caymanian students took part. This year there were over 100,000 children taking part and seven of our students (I believe) were placed at the top in the first one percent. Is this not good? Does this not tell us something?

Another good example was the Commonwealth Examinations in which the Cayman Islands received honourable mention. Twenty-three students received commendations from the Royal Commonwealth Society for their work on the Commonwealth Essay Competition. The Cayman Islands was placed in the top echelon. Is this not telling us something? Is this not telling us that there is nothing more precious than our children and that we need to create the kind of atmosphere, the kind of country, to give these young children an opportunity?

At my son's graduation the young lady giving the opening prayer remarked that in the United States 2.5% of young people are bad, 97.5% are good. But the ones who get the most publicity, the ones who millions of dollars are spent on is that 2.5%. While we have some problems (problem children, problem parents) we have a tremendous amount of good young Caymanians, and foreigners, in our country who love... and I should say this: FOREIGNERS who love these Cayman Islands, want to be a part of it and are trying to live together.

We have a lot of young people who we can walk with hand-in-hand, who are good examples, and it is them who we continue to hold up and give credit to. That is why back in 1988 I brought a Motion to this House asking for a Caymanian Scholarship to encourage our young people in whatever field they excel, to give them that scholarship and title and for it to be recognised nationally. When did it get done? Just last year the Government recognised it and I thank the Permanent Secretary for Education and the Minister for getting that through.

We have to praise and give our children a chance to excel and when they excel we have to make sure that we recognise it.

Madam Speaker, efforts are still being made to bring the Social Services Unit in Cayman Brac on par with the office in Grand Cayman. A team from the Computer Services Department and Social Services visited Cayman Brac's new office to install the case management system and train staff to use it. Staff from the Cayman Brac Office travel regularly to Grand Cayman to participate in departmental and other training, and attend various meetings. Something that they never did before.

This year a member of the clerical staff of the Cayman Brac Office commenced a four month training course in social work at the University of the West Indies and on her return it is hoped that she will take up the post of Assistant Social Worker.

I recently paid a visit to the Brac, and I agree that there are needs for a restructuring of the Social Services Department there. I am glad for those people, the First Elected Member for Cayman Brac and others, who have brought it to our attention several times. We get complaints that persons over there are not being dealt with and there is favouritism. Human beings, being what we are, will get those

complaints, but we are looking at restructuring and hopefully that can begin soon.

A lot of hard work is put into the Young Parents Programme by all concerned to fulfill the main objective of the programme. Events over the past years lead me to believe that every effort is being made to help the young women who participate in the programme to retain their dignity, make them self-sufficient and to provide them with skills that will make them good and effective parents.

In its initial stage it was stressed that the programme should be viewed as community-based with support coming from the community. The department and the Ministry are very thankful for the generous donations and assistance received from the Leo's Club, the Lady Lions of Tropical Gardens and a number of private individuals. I must say that I am very proud of the Lady Lions of Tropical Garden, a very dedicated group of women who see the need in the community and attempt to do something about it in a genuine manner. I certainly appreciate those women.

Fifteen young women and their children participated in the programme at any one time. Some have entered the world of work while others are pursuing studies at the Community College and follow-up continues even after they leave the centre. But I am so pleased because this is a group of young people who hitherto no one paid any attention to. They got in problems, they were removed from school and were left to either create more problems or wonder around trying to make ends meet. When we stop to think, some of them have entered the world of work from the drive they received from the programme.

I remember a title of a book given to me by the Permanent Secretary for Education entitled, 'Even Eagles Need a Push.' That is so true, Madam Speaker. So true! But because of the evident benefits to the young mothers, dialogue has already started with the Ministry for Education regarding making participation in this programme compulsory for all girls who become pregnant while attending school and to return them to full-time schooling, as far as possible, shortly after the birth of their child if they are still below the school leaving age.

One thing that we have not been able to complete as yet (as much as I would want it) is the involvement of young fathers and the parents of young mothers in the programme. We hope to accomplish this during 1996 because it is mostly the fathers who we need to get at in the community. As I have said, we see a resurgence of pride, parents wanting to do something.

I noticed that some 100 fathers attended a Parents/Teachers Association meeting at one of the high schools. This is a good sign of what I talked about earlier. We need to get to those young men because there are too many of them running around believing that they can tamper with young girls and walk away free; leave their responsibility. Watch out that we do not have to put it into a Law to force them to attend a programme like this.

The purpose of the study of the family of the Caymanian society is to satisfy the demand for answers which presently emanate from a wide cross-section of the society. These questions relate specifically to the concerns such as the changing cultural pattern expressed in the apparent family dysfunction; changing roles and the responsibilities within the family; increases in child associated deviant and criminal

behaviour and the ability of the Department of Social Services to satisfactorily address these problems.

We heard about them doing financial assistance, but there is much work to be done by social workers in this country.

The Department of Social Services has, over the years, been faced with the task of designing a programme which will best satisfy the welfare needs of these islands. Its stated philosophy stems toward a preference, and this is our policy: For maintaining and support of children within their families and communities. The Department has found itself, over a time, responsible for a range of social welfare services ranging from housing, rehabilitation through residential and rehabilitative care, to case work for battered women. It has become clear that over the 30 year period of the existence of the Department there has been a substantial increase in the demand, which has from time-to-time necessitated the development of new alliances within and without the public sector.

It shows the demand for readjustment of the Department itself and the continued, I should say, re-tooling of staff to serve the new clientele, all of which is now becoming necessary to redefine the policy and mandate of the department.

It is hoped that this family study will go a far way towards addressing these problems. It will provide critical data to the Department and the Ministry and recommendations with respect to reviewing the existing programmes and introducing new ones to respond to the social needs in the country.

Madam Speaker, I hope that the study will be completed by April of this year and that I can make a public announcement regarding these programmes.

Much continues to be said in this Honourable House, and elsewhere, on the strategies and the importance of training and career development of our people. I wonder how many are consistent enough to support the old measures which are necessary to ensure that these ideals translate into real progress or mutual benefits between the employee and the employer and their spoken words do not remain as mere words and rhetoric.

As the Minister responsible for Human Resources, I am pleased of the fact that in the past few years we have made some tangible efforts in dealing with some of the issues and regulations pertaining to labour relations and human resource development. Practically any time you go to make any changes you are going to get a fuss because nobody wants to change from their old ways, particularly if they are asked to cough up more money or if a situation arises which compels them to give more money. Where there is change that is needed, I am not afraid to move forward.

I heard one Member talking about the need to take care of employers. That is true. No Government should unnecessarily battle with employers. Not all employers are unfair, most of them adhere to the laws and do a good job. But there is a lack of training in the country. We will continue the proactive role of the Human Resource Department in the fostering of good labour relations through promoting increased awareness of the legislation as well as building sensitivity towards resource development on the part of the employer and employee.

The Department is charged with coordinating the work of the new Labour Relations Board and the Tribunal.

Hopefully, this new participatory and corporative approach will result in less labour disputes and when hearings are necessary, to a quick and amicable resolution.

At this point in time an assessment of the staff support, which the new Labour Relations Board and Tribunal will require, is being undertaken. It is the intention that these new bodies and their support staff are operational to the extent that it satisfies as many people as possible. It is well known that we are concerned about training, about long range career development and succession planning. The articulation of a well defined and workable Human Resource Development policy and strategies are essential tools for achieving these important objectives. How else are we going to get training?

As Honourable Members are aware, we support through our policies, manpower development and training and the Caymanianisation positions within the public and private sectors whenever there are competent Caymanians who want to fill these positions. The policy further requires that adequate training programmes become commonplace in order to ensure that Caymanians are able to fill responsible jobs consistent with fair career paths and timely succession planning.

We can mourn all we want, but the fact is that we have to put in place a policy for one and all, including Government, where our people are given a chance to be trained. After much preliminary work by the staff of my Ministry including a review of all the volumes of Manpower Demand Reports of 1990, as well as reviewing literature and reports from other countries and organisations, we put the matter to an advisory committee.

I tabled a summary of this report in this Honourable House last year in September, and outlined the sections of the report of the Manpower Development Advisory Committee which Government was prepared to accept at the time.

I do not know how much time I have left, Madam Speaker, and I have quite a bit to cover. I might end up having to ask for some extra time. But no one can say that Government is not attempting to get training done in the community.

What I find hard is that we constantly get bickering from the Chamber of Commerce. I was reading recently their report on their Training and Manpower Development Committee (they have one set up now), it says, "**The Committee intends to invite all Chamber members and their employees to say exactly what kinds of training are needed and wanted and in what areas of school education levels are inadequate....** It further says, **...the Committee hopes that its findings will enable the Chamber to put forward a free enterprise alternative to the Draft Training Law published last year by a Government Committee of mainly MLAs and civil servants.**" By God, Madam Speaker, how dirty can people get, when this committee was made up mostly of members of the private sector? The Chamber had at least one or two members on the Committee and they print this, which goes overseas, to say ...to put forward a free enterprise alternative to the Draft Training Law... Which draft training law was published by Government? Can anybody tell me? I do not know of any draft training law being laid on the Table of this House. There is none! I do not want to go through all of Government's suggestions, but if they say to put forward a free enterprise alternative, it

is saying that the Government or someone is trying to put forward something anti-free enterprise.

Here are some of the things Government suggested: The Manpower and Planning Implementation Unit would work with Education to promote pursuit of careers by school leavers.

It calls for an implementation of an apprenticeship system. It says, **"There is a need for a new and specific national frame work to deal effectively with manpower development and training. Crucial to this would be development and promulgation of a clear and fair policy on what Government expects from employers and employees. Issuing of work permits within the framework of a clear training policy must become a strategic policy."**

It went on to say, **"The Immigration Board needs to stress more effective training and promotion of able, willing Caymanians in accordance with conditions and expectations and work permit grants and renewals."**

The Committee says, **"The function of this Unit [that they are pushing] would include gathering information; assisting in development or modification of labour and training policies; assessing the labour applications or implications of new projects and businesses which seek permits and licences; monitoring the expectations, issued and grants of renewals of work permits; coordinating training programmes and initiatives and fostering an environment of a partnership for training among the employee, employer and Government."**

What is so different about these suggestions? I thought that these are things you would find in a free enterprise system as we operate. The fact remains that it should have been done a long time ago. The country would have been allowed to develop to the extent where we do not know sometimes who we have or what we have. But I cannot see why the Chamber of Commerce would say that this is something different from free enterprise.

Institutions in this country need to stop this bickering. This is a Government that has pushed development to the extent that work permits have been on the increase. No one can say that they do not get the work permits they need. Of course, we are hearing today, as we heard about development and tourism, that there are too many work permits being granted. But I have heard calls from within this House to grant more work permits. When we grant more work permits they complain that we have granted too many.

What one and all have to realise is that we are going to have people as long as someone says they need a permit and push the Government to grant it. What else are we going to see but people walking up and down the streets. If we grant work permits for a new hotel what else are we going to see but an increase in work permits? We have to accept that there are not enough Caymanians (as I have said on Monday) to do all the work which development brings. We expect development because we want certain things that we are not going to pay taxes on. So the money has to come from somewhere else. This is all bound up in this.

One of the situations that I am concerned about is the number of people who have work permits and who may not need them. I know that some of my constituents has said to me, "What are you doing with all these Jamaicans?" That is a big thing and perhaps I will lose some votes by mentioning it, but it is a fact. The truth is that not everybody can

have a helper, a gardener, and every other labourer they want and not see people around. People cannot go around saying we cannot have all these people, but give me a work permit for my helper. We cannot say that.

Recently, a young man who usually comes to my house said to me, "Mr. Bush, I need \$5.00" (he does not usually ask for much, and I usually assist him because I know him). That morning I took him around the back of my house and said, 'You see out here? I have a little plantation. I want you to pull the bushes and you will get more than \$5.00. You have at least four days' work.' Madam Speaker, you know what he said to me, "You think I am a Jamaican or what?" This is the mentality that exists, and until Members in this House accept it and put hearts and hands together to do something about it, it is not going away. We cannot have development... We do not want to pay taxes, we want to take home all of our money and expect to get all the things we need and want and yet not see other people around? One goes with the other.

I have had occasions, when I saw jobs being advertised in the newspaper, to call up as Minister or go and see the people. One job in particular for a Gas Station Attendant (which we usually call them, but let us say a 'Maintenance man in the Gas Station') 36 applicants; four Caymanians, one still at school age; four persons on permits that are held by other persons looking part-time job; 28 other foreigners, 20 of whom were women.

Does that not tell us something in this community? Does that not say something to us and every other citizen in this country, employers and all? Some people are too eager to go and apply for a work permit. Now we need the labourer and that would show us that we do not have the Caymanians. Or it could say the other thing that Caymanians are employed and there are people who have work permits, but do not have work. Permits are being granted to people where either the work is finished or something else. It can tell us several things.

The Speaker: Honourable Minister would you take a break at this time?

Hon. W. McKeeva Bush: Yes, Ma'am.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.32 AM

PROCEEDINGS RESUMED AT 12.03 PM

The Speaker: Please be seated. The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Thank you, Madam Speaker.

When we took the break I was dealing with the Human Resource Development and strategies for manpower development and training.

Whether the Chamber of Commerce, or anyone else for that matter, believes that we can get away from training Caymanians, then they do not really understand the forces of youth. While some of us might be able to take and review things differently, young people are different and will

live in different times with different pressures and they are not going to wait.

I am happy to say that recently Executive Council has approved the preparation for the restructuring plan for the Human Resources Department. The broad functions of this re-tooled department will include labour relations, career development training, including apprenticeship schemes and productivity, the Guaranteed Student Loan Scheme, Pensions Inspectorate and probably financial assistance. Those are my ideas for the department.

We can be effective only if a proper Manpower Planning and Implementation Unit is established in Government. As well as being responsible for implementing and stewarding the above functions, the department will also be expected to continue to provide various support services including facilitating job training and retraining, job referrals and placement, assisting with the preparation of entry level and less able workers for the world of work.

I know that the Third Elected Member for West Bay, and others, perhaps mentioned the people who are coming out of prison. I got Executive Council to agree to formalise a pilot project where ex-prisoners will work in the environment. Some of this has been taking place, but as I have said it will be formalised. We cannot expect the private sector to take on these ex-prisoners if Government is unwilling to do so.

I believe that this programme will be one where we will be able to take them in on a probationary period for six months to see their work ethics; see if they are on time, see if they do their work properly, see if they follow instructions, etcetera. Upon the completion of that six months we can perhaps give them a certificate saying that they have completed the course. If they do not show up timely in the first six months, then we give them a further six months to see how well they come along. But we have to give them guidance, we have to be willing to assist, and this programme is being formalised and will be published shortly.

I note that there were several influential individuals and groups both in this House and outside, who were quick to criticise me when Government proposed bold initiatives for training of workers in the country. It is now interesting to see that many of those same individuals have concluded that these initiatives are what it may take to prudently prepare Cayman's work force for the 21st century without disrupting the economy with draconian measures that many other countries had to resort to.

I trust that we will all work together to take the sensible and bold steps which are needed to enhance our strategic human resources. While constructive criticism is always useful, I trust that the critics of these initiatives will not resort to harmful misinformation, such as what the Chamber of Commerce published in the newspaper and other tactics to sabotage our efforts.

I am also concerned about the fragmented approach to training in these islands which appears to be implemented. Various groups seem to work independently and without the benefit of overall communication and coordination. For example various Government Departments and Ministries that conduct various courses and seminars without communicating with other possible users or partners. Likewise in the private sector, there are similar cases of this fragmented approach.

While Government is appreciative of all efforts which were made over the years to train our people, it is my

opinion that it is now time to put in place a proper coordinated framework to better facilitate training for the public sector as well as the private sector. I believe this training must be closely linked to the needs of our economy and that formal courses, short courses, technical and vocational training and certificate courses should be done. All that can be done locally should be done.

My Ministry's view on this matter is to help to formalise an environment for training and to promote the philosophy that a trained society is a much better alternative for both the employee and employer. As I mentioned earlier, promoting this environment is one thing, but the actual implementation of these strategies will most likely require the development of new resources in order to carry out the technical and specialist functions that will be crucial to the success of human resource development in our island.

We do get complaints (as I have said earlier) from those who are trying to undermine the Government, but they better think carefully of the forces - and I do not mean just the walk-foot boy - at all levels that are complaining about the lack of training and upward mobility. I trust that our Government and future governments will not defer this important matter any longer and will not apologise for farsighted decisions which, in our case, will only result in making this country more prosperous and able to compete in the marketplace.

It is therefore, and I stress this, in the interest of everyone - employers, employees and Government - that we view training and human resource development not as a burden but, instead, as an investment in something which is crucial if we are to continue to enjoy our Cayman Islands; the best place in which to live and to conduct business. If we do the opposite, and by our actions or insinuations cause this worthwhile effort to be scuttled, then I am afraid of the long term consequences. The very least such neglect will ensure is that this and future generations will be the losers.

I am appealing to private sector employer organisations to establish or re-invigorate their training committees to conduct initiatives such as need assessments, identify the gaps in skills, introduce specific training programmes of courses to help Caymanians to acquire these skills and to monitor the performance and the upward mobility of the staff members who have the urge to move forward.

I agree with the Fourth Elected Member for George Town when he says, "**While seminars and workshops and such can help alert employees to certain needs and situations, it cannot take the place of proper training programme.**" **Training must take place, the right kind of training,** and without hassle, Madam Speaker.

Members of this House also should not go out and join forces with those out there in objection to Government's plans for training. Some Members have an unholy bad habit of saying one thing in this Honourable House talking about the need for certain things such as training, but when they get out there in the public with their supporters, business friends and others, they sing a different tune.

If Members of this House can be so, to say the least, double-talking, how can my Ministry succeed, especially when they are joined by others in the upward echelons of the public service? That is a combination for my Ministry to beat or overcome. But I am not going to stop, and the Opposition Members must learn this because it is them to whom I am speaking.

I feel that if we must have national contentment, with the genuine training and enhancement of our people in the work place, be it in tourism, banking, law firms or wherever, this can only take place if our people see a genuine effort being made to do training in the country. It is not a short term goal for me in any shape or form. If I am not back in Council after the next Election, I would hope that any Government that is in place will continue to work on a long-term basis for proper training of our employees. As I have said, be they members of a law firm, banks, the tourism industry or in the retail sector, wherever, it must come.

It is no longer good enough for any bakery owner in this country (as we were told by one) to tell us that they were not going to hire Caymanian girls to be their Front Office clerks. Why not? They had to get a work permit. Why? What people shall my people be if they are not given an opportunity to be a simple clerical officer.

As a small progressive country, we need to foster an environment which engages the commitment of the employers, employees, associations and agencies, where all parties accept the training through life and make it a reality. If we all work together, we can succeed and avoid the labour related problems which have destroyed our economies

There is no use in people believing that they can do as they please because it is their business. Capital is one thing, being an employer is another thing, but you cannot do your business without an employee. The quicker we get together and give that person a chance, push him forward... as I have said even eagles need a push.

There has been much grumbling about the recent incident in the Civil Service involving Miss Glasgow. I am only going to make reference to one thing. For the Second Elected Member for Cayman Brac and Little Cayman to say that she had no political assistance... how can we give her assistance? And why blame the Government? Why blame Elected Members or any politicians?

Madam Speaker, you cannot speak out of the two sides of your mouth. When he was making that statement, I said to myself, he should remember that they (the Opposition) went on national television and said that it was a clear breach of the Constitution for me and Members of this House to have interfered with Mrs. McCoy's problem. We were not telling anybody to do this or do that. What we said was that we would take our own actions. How can he now come and say that we should interfere and give political assistance? But, of course, that is typical of the Opposition.

There are problems in the work place with people moving forward. People are not getting the opportunity which I think is due to them and our people (young people) have a dream. I will end this section with this poem titled 'A Dream Deferred', it reads:

*What happens to a dream deferred?
Does it dry up like a raisin in the sun?
Or fester like a sore –And then run?
Does it stink like rotten meat?
Or crust and sugar over – like a syrupy sweet?
Maybe it just sags like a heavy load.
Or does it explode?"*

I will not further trespass on this area, but I hope every one heard that poem 'A Dream Deferred', for to defer training which will damage the future of our children who are

graduating from school, does not give present employees a chance to better themselves is a dream deferred. Will that dream explode in the future?

To all of those people who are saying that we are doing nothing for young people and the districts, I want to say that we have some After School Programmes; five in George Town, one in West Bay and two in Cayman Brac. We have well over 200 children involved in these after school programmes.

This is a good programme, I do not need to go through it. But I was delighted to hear the Lady Member for Sodden Town talking about the need of a programme in her district.

Bodden Town is a fast growing district, and I see a lot of young people who need to be in such a programme. As we are aware of those sitting in groups by the Post Office as indicated by a Member, this is something they can be involved in and this is what we need; representatives seeing a need and coming to Government and saying, 'I want something.' I will say to the lady Member that I will do everything I can to see that Bodden Town starts at least one after school programme.

We assisted the churches by giving them a grant for a youth worker. We are now assisting 19 such churches; Cayman Brac - 4; George Town - 9; West Bay - 3; East End - 1; North Side - 2. We are going to do something in Bodden Town.

Since my Ministry took over the responsibility for women's affairs, it has been very busy in examining ways of how best to deal with that matter. A Committee, as I understand, was set up and will soon submit their report and we will go forward from there.

As far as I am concerned at this stage in our development it is important to place emphasis on the subject. When the Motion was brought by the two lady Members (the Third Elected Member for George Town and the Member for North Side) it highlighted the serious problems that were either covered up or just ignored. When we see the degree of abuse from pictures... I did not know that people had it in them to do that to someone else. It is a time to look at the role of women in the family, in the workplace, in Government and throughout our community. We have to look at their strength, their perseverance, their ambition and their invaluable role in the growth of our nation.

The *Caymanian Compass* had a very good editorial (I do not know whether it is today's or yesterday's paper) about the responsibilities for this subject. It said something to the effect that emphasis should not be placed on rural women, but we need to look at women who are really in need in the community. This is a challenge I throw out to this society. I agree with them. There are many women in need of friendship, counselling and assistance with their problems to move from day to day. This is what the Government intends to do. But, of course, we will not place emphasis in one place.

Our women of the Cayman Islands have always been strong and capable. If I should say so, I think you, yourself, Madam Speaker, and the women in this House have been a good example to other women. Women have been our teachers, mentors for certain things, our caregivers, raised our children, taught us in Sunday School and I believe some very good role models exist in this country - some have gone on to glory, some are still living, Mrs. Ena

Watler and the mother of the Minister for Education are women I look up to, simply because I belong to the same church and I know that as an elder of that church they are people who raised their families without much mention of praise and glory on the front pages of the *Compass*. But this is indicative of the women in our society.

We are not a backwoods country, we are not like Nigeria nor Guyana. We have our own makeup, and we have to take our case as it is. Let us all remember that there are problems that impact on women which we need to address and which must be addressed in this country. To those who may say that the recognition of women's issues is unnecessary, we must remember that when our women are in a positive position; our children, our men, our society will be in a positive position as well.

Sports: Government conducted a number of programmes either directly through the Sports Office or indirectly through sports grants given to approximately 33 national associations. I see a letter in today's paper which I will not pay credence to, Madam Speaker, because I do not believe that the author wrote the letter. I think he is just being an agency for other frustrated minds. All I will say is that if that particular person would come and talk to us rather than writing to the press things which he know not, then perhaps things would be much better for him. But I do know that he was offered the position to be National Coach and he refused.

As stated earlier, Government has hired coaches for the areas of netball, football, basketball, cricket and swimming, in addition to three sports instructors in the Sports Department. All three officers assist most of the primary schools on a regular basis either with their Physical Education or Physical Recreation Programmes.

I know that there is an After-School Programme in West Bay in which over 100 children are involved and it is being done by a few people, one of them is the Deputy Sports Coordinator, Mr. Bernie Bush. Age-group intra-district competitions are being conducted in the areas of basketball, football, netball and cricket. With that in mind, last night was a glorious night (and a glorious sanction to that letter in today's paper) when we had our young boys under age 18 defeating Jamaica. That is a programme paid for by the Government. Who is it being paid for by if not by Government?

I congratulate Mr. Scott, the patron who is also the Third Elected Member for West Bay, and most of all Victor (Voot) O'Garro, a Christian man, and one who can deal with children and deal with adults also. That is what a coach is all about.

There is no use having a bit of expertise if you cannot deal with people. How else are you going to coach? Therein lies the problem with the letter.

The following is a breakdown of the various sports and numbers involved:- (1) Basketball: Under-14 Teams approximately 100 young boys, Under-16 Teams approximately 100, Men's teams - 80. and Women's teams - 60; (2) Netball: Under-14 and Under-17 teams approximately 145 girls; (3) Cricket is to be started soon with the Under-13 team of approximately 80, Under-15 team of approximately 80 boys and Men's team approximately 250 are involved; (4) Football: Under-16 boy's teams - 80; Under-19 boy's teams - 100, Men's team over 1,000 and women's team over 200. Then we have softball which is mostly done by the private

sector and I believe baseball is done at the West Bay playing field. You should see the amount of interest, and one thing I love about those games is that parents are always there. I am glad to see that sort of encouragement.

In swimming there are approximately 500 children from all age groups registered for classes at the Lion's Aquatic Centre for this current season. There are three swimming instructors employed to be at the swimming pool.

It should be observed that I have only mentioned the areas in which Government has hired a coach with the exception of the baseball and softball. However, there are programmes going on in other areas in which young people are very much involved; sailing, badminton, marshal arts, rugby, tennis, track and field, athletics and volleyball, to name a few.

I would like to take this opportunity to thank the many volunteers who are involved in the various programmes and to appeal to others, especially the parents of the children involved, to assist where possible.

It should also be noted that the coaches who Government has hired are also preparing local coaches. One outstanding case in point is in basketball where the coach prepared the Under-19 National Team members as coaches who coached the Under-14 districts' teams. So, as for the inquiry made by the First Elected Member for Bodden Town, he should get his facts straight before making any derogatory remarks. The same coach prepared the Under-16 girls as officials and they officiated in that particular tournament. Coaches hired for other sports are doing likewise.

Government will continue to promote summer camps in as many areas of sports as is possible, to ensure that our young people are involved in wholesome, worthwhile activities during the summer months when they are on vacation from school. So far the summer camp is doing very well. But what we do need is for people to genuinely get involved because Government cannot pay for all the manpower that is needed to assist with the many different young children and young people who are involved. Conditions at the George Town Primary School field were mentioned, and I will speak on it for a minute because we have some responsibility in that participants in sports use the school field. If we remember it was the very first field we had in this country. The Ministry has expressed some concern regarding the George Town Primary School field. This is a field that has been used by the community because there are no public open space in that area, nor are there any playing fields in that area. But we have done the following in late 1995 and earlier this year to improve the facility. We assisted in repairing the canteen and removed the room from the top which had become an eye sore. We provided the Football Association with funding for refurbishing the lighting. It is my understanding that improvement to the light will take place shortly.

The few ground maintenance staff that the Ministry has visit there at least once weekly to assist in keeping the place in a sanitary condition. We have had meetings between the Education Department and the Ministry of Community Development to discuss renovation plan and to put it forward for implementation. Follow up of that meeting is being down to insure that the proposed renovation, such as the hard court to be place closer to the school, the entrance to the school should be widen for better turn-around and extending the school front by moving the fence closer to the

school field, thus giving more front space for the children to move freely around the front is done.

Last month my Permanent Secretary and I, along with representatives from the Public Works Department visited the facility. The Ministry has concluded with the Public Works Department that it would remove the present building (that is the bathrooms and changing rooms) and put in place a better constructed building including an office to be used by the current users: football, basketball and hockey players as well as providing a small play area for the children of that area.

It was also agreed that a joint meeting between the two Ministries (Education and Community Development) to discuss these improvements which can mutually benefit the school and the community should take place in the near future. The facility is to be treated as a priority.

The suggestion of a full-time custodian is a good one and Government shall look at the possibility of employing someone. I hope when the request comes forward that Members will not hem and haw, but will support it.

The problem with glass bottles, etcetera, on the Annex field is because it is used by all and sundry in that area. We find beer bottles and different glass bottles which are not thrown there by the sports persons using the field, it is done by other persons who are unsupervised at these functions.

Government and the Civil Aviation have entered into an agreement to provide a park at the Smith Road/Old Agricultural ground to facilitate the many people who relax there during their lunch hour. It is a common thing to see cars parked there because really there is no open space in George Town. We have been trying to find open property as close to central George Town as possible, but that seems to have been elided.

It is the intention of the Ministry to enhance the area by giving a face lift to the present pavilion, renovating it to provide permanent public toilets and to landscape the area by planting trees. It should be noted that the Cricket Association will continue to use the site as a cricket facility, especially cricket for the youths.

It is also suggested, and we have discussed it with the Civil Aviation, the development of a park opposite the Foster's Food Fair on Airport Road which was used for a park years ago. This area lends itself naturally to the development of a park. Currently this site is frequently used by people on their lunch hour to relax, by children who play on the dilapidated slides and swings and by the Volleyball Association who use it as their main venue for volleyball games. It is intended to enhance this area by providing a fence to prevent vehicular traffic through the park thus promoting safety for our children, providing public toilets, to clear the pond to better facilitate the viewing of the land turtles, birds and fish that live in the pond and to refurbish the swings and slides and provide other park facilities.

It should be noted that the Volleyball Association would continue to use this venue for their games. Public Works Department is assisting the Ministry with the development of these parks. It is anticipated that these projects will get good support from the private sector.

The Speaker: Honourable Minister, will you be finishing shortly? Or can we take the luncheon suspension now?

Hon. W. McKeever Bush: I think we better take the luncheon suspension.

The Speaker: Proceedings will be suspended until 2.30.

PROCEEDINGS SUSPENDED AT 12.48 PM

PROCEEDINGS RESUMED AT 2.34 PM

[Hon. Edna M. Moyle, Deputy Speaker in the Chair]

Deputy Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture continuing.

Hon. W. McKeever Bush: Thank you, Madam Speaker. May I say that it is good to see you in the chair? I give the chair notice - I am not asking for special favours but I do believe that I will be needing some more time and I need the indulgence of the House.

When we took the luncheon suspension, I was dealing with the parks in George Town. I want to add that in connection with the Annex field (the George Town Primary school park) the Ministry is proposing the development of a park with playing areas equipped with swings, slides and so on for young children, public toilets and seating accommodation and planting of trees to beautify the area.

Members should be aware that CayFest will be held this year. Over the years, the Cultural Foundation has worked somewhat toward broaden the base of Caymanians involvement in cultural activities by creating training programmes, awarding grants to local artists and producing their work in the form of books, musical recordings and stage plays. In the same period the Foundation has provided inspiration and instruction for our artists by bringing in art practitioners from the Caribbean region and further a field.

We now have a roster of Caymanian plays, an invigorating Art Committee for the growing number of Caymanian painters and Cayman's first art book featuring the work of Miss Lassie. We also have a recording of Mr. Radley Gourzong's music on the market. We have a strong interest in dance. We have developed a core group of Caymanian stage performers. We have an annual show where all the nationalities who live in Cayman combine in a local play call "Rundown."

I was in this year's Rundown - and rundown it was - I did not hear anything much positive in the play, it was just simply rundown and I should say obnoxious in a lot of areas. Nevertheless, we do have a play. Some years I enjoy it, but this particular year I think a lot of it was unfounded and I believe that when such a play is put on it should be factual; make fun from facts but not from hearsay in the community. When I left the play, my daughter asked me, "Dad, did the Opposition write the play or what?"

(some Members' laughter)

As I have said I believe when we have these plays if they are creating something for fun on the life in Cayman it should be based on facts. I will not go further into it, but, as an illustration, in 1995 the Cultural Foundation spanned a wide range of artistic endeavours and focused seriously on both national and international talent.

In the visual arts, the Caribbean Art Exhibition mounted here included the work of five local painters (two of them Caymanians) attracted over 6,000 spectators. In this regard, I should say that we have commissioned a Task Force to examine the need for a national art gallery. In recent years with the growing interests in art such things as the workshops and the Carib Art Exhibition last year at the Harquail Theatre the impetus for a notational gallery of art has been growing. In addition, it has long been my concern that so many of our young people show promise in art seem to drop it completely after leaving school because there is no place for them to continue. So for those two reasons, earlier this year I assembled a focus group to look at the situation and they have already made good progress down that road. This task force is headed by the Governor's gallant lady, Mrs. Carol Owen as chairman, the Permanent Secretary from my Ministry as ex-Officio, Miss Anita Ebanks, Mr. David Martins, Mrs. Lesley Biegleman, Mr. Carson Ebanks of Planning, Mr. John Doak, Mr. Danny Owens and Mr. Miguel Powery. The artists and the art teachers and the people who work in Culture have endorsed the idea of a national art gallery as necessary if we are to develop our people's interests in painting and sculptor.

The gallery will become a repository for the art our people produce, but even more importantly, it will become a propellant for our artists because it will give them something to aspire to, a goal to reach if you may, to have their work in this gallery housing the nation's best creations. It does not end there, another important component of the gallery will be an instruction programme for all our artists, young and old, in a separate area of the gallery or a separate building. Another concept the focus group is looking at is to take this instruction side into the districts, in small pockets at first, but leading to a scenario where budding artists in West Bay, East End, North Side, Bodden Town and Cayman Brac and Little Cayman can become involved in creations that may one day hang in the national art gallery.

The Focus Group/Task Force is examining this whole question in detail regarding location, funding organisation, staffing, building size, and so on, and will make recommendations to the Ministry on these structural points.

I see this whole effort as resulting in two significant developments; one will be the creation of an impressive permanent home for our art, the other will be a mechanism for people to exercise their artistic sides in familiar surroundings of their district. In one sentence:

We will be bringing our people to the arts (that is the national art gallery) and arts to our people through the district programmes.

I have been asking for this district programme for a long time since I took over and I hope that we can have it through Cayfest which is to be held in July. This Focus Group/Task Force is looking at ways and means of bringing it to the districts. I want to say thanks to Mrs. Owen and the other members of the group. This is something for the future and we have to start now. It might be that we will get some benefactors in the community who will contribute to such a worthwhile cause. This is part of a cultural development and I would hope that people will come forward and offer assistance in whatever way they can.

The Cultural Foundation ran three workshops in paintings and ceramic and cosponsored a sculpture workshop with the Visual Arts Society. We also funded the par-

ticipation of Caymanian arts; artists Mrs. Lassie Bush, Mr. Bendel Hydes, Mr. Miguel Powery and Mr. Phillippe Bush at Carifesta in Trinidad and Tobago last year.

In the performing arts, apart from Rundown, theatrical offerings included the Falling Angels which was performed by invitation at the Rugby School Festival of Creative Arts in Warwickshire, England and on the Harquail Theatre stage; three winning plays from the playwriting competition; a professional recording of Country and Western standards by Mr. Roy Bodden of Radio Cayman which was produced by Hopscotch Studio here, and in the overseas arena, Dance Unlimited made a very strong impact for Cayman at the Carifesta in Trinidad.

In the literature arts, free instructions in creating plays and poetry attracted aspiring writers from a cross section of the community and 12 publications with a Caymanian focus were also displayed at Carifesta. Now, this year in addition to its slate of ongoing work, the Foundation's plans include the formation of a semi-professional theatre company with participants attending classes in acting, singing and dance. This year will see a series call "Cayman Catch" where Caymanians will be presented on the Harquail stage with various reminiscences of early Cayman. The plan for this series, taped in conjunction with the National Archives is to be taken to wider audiences through television.

Since 1994, when I took responsibility for Culture, I have been stressing the need for our presence in the districts and this year with additional funding from the Ministry, that thrust has begun with the inauguration of the National Arts Festival - CAYFEST which will run through the entire month of July in every district all over the country.

The roster for Cayfest (which is growing by the week) begins with the recreation of an old time Caymanian boat launch and a catboat race with a least five boats and ends with an all day Caymanian garden party at the Lions Centre where every artistic expression under the Cayman sun will be presented for all to enjoy. In between Cayfest we will offer art shows, dance groups, singers, musical combos, church choirs, architectural displays, photography, culinary arts, hand crafts, sports, poetry, jewellery, and the list goes on. But suffice it to say, Cayfest will have every aspect of artistic talent that this country possesses on full display. Portable lighting and sound units will be acquired so that the districts' presentations will have a professional touch and the events will be advertised at the district level as well as at the national level.

Deputy Speaker: Honourable Minister, your allocated time has now expired. Will you be finishing shortly?

Hon. W. McKeever Bush: Madam Speaker, I crave the indulgence of the House to complete my speech and ask for the suspension under Standing Order 83.

SUSPENSION OF STANDING ORDER 32(6)

Deputy Speaker: The question is that Standing Order 32(6) be suspended to allow the Honourable Minister to complete his debate on the Throne Speech.

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

AYES.

Deputy Speaker: The Ayes have it.

AGREED: STANDING ORDER 32(6) SUSPENDED.

Hon. W. McKeeva Bush: Thank you very much for your indulgence, Madam Speaker, and I do thank the House for its kindness.

If any Member of this House needs extra time they will get it if they are making a constructive contribution. We should not waste the time of the House. I will say that to my good friend the First Elected Member for Sodden Town who remarked about the Opposition's time.

Every weekend in July in every Town Hall or Civic Centre in the country our people will be displaying their talents; their creativity, their artistry, their imagination and, every day of the final week of July will see some aspect of our artistry showcased. On the eve of this artistic outburst, the Cultural Foundation will be establishing an ongoing presence in each district so that the interests generated by Cayfest can be translated into small units in various disciplines designed to stimulate artistic activity at the district level. This will then become a circular process with Cayfest activities generating interests in the district which will in turn become the breeding ground of activities for Cayfest. Cayfest, by nature of its very wide panorama, has all the earmarks of becoming an event which hopefully will attract a full cross section of our community. Judging by the enthusiasm already being displayed for it, I predict that this festival will eventually reach into every corner of our country; giving us confidence in our abilities, bringing enjoyment to many, making us all feel proud.

I would hope that we can get a motivational speaker from outside the country, someone whom is well known and who can relate to our young people, to come in and speak on one of the weekends at perhaps a youth rally. I have had many suggestions, and the one that I like best is General Cohn Powell. I say that to the House and the country hoping I will get some support for it, but that is the direction in which we are aiming. For our young people, in particular, this event will prove to be very dynamic and, indeed, one of the ingredients of Cayfest will be a Youth Day featuring the celebrity guest whose life story can and will inspire and motivate our young people.

The National Museum had a milestone year in 1995. It was a time to review past accomplishments such as the many changing exhibits which were created; the numerous artifacts, specimen and art pieces which were collected, the educational programmes, classes and special events which were held and thousands of residents and visitors who have enjoyed tours of the Museum.

This year will be a year of continued growth as the Museum moves forward with its responsibilities as outlined in the Museum Law; **"collecting items of historic, scientific and artistic relevance to the Cayman Islands and using those times to educate the public about Cayman's heritage."** The museum will also seek to increase revenue from non-governmental sources through more aggressive marketing, fund raising projects, product development and sales.

In connection with the preserving of our natural heritage, I am concerned that not enough is done to preserve ship wrecks and so forth in the country. Perhaps it is even late, if there are any worthwhile ones left that we do not know about, but I do hope that this year I can bring an amendment to the Wrecks and Salvage (Amendment) Law regarding preserving that element of our heritage.

In September, October or November of this year, the Wreck of the Ten Sails exhibit will be taken to each of the districts in Grand Cayman as well as the Sister Islands if funding can be secured. A popular book about the wreck written by the Museum Archeologist will be published to coincide with the travelling exhibition. Utilising a grant from the United Nations

Development Bank, the Museum will create a comprehensive master plan for the next five years as it moves beyond its 5th anniversary and into the second half of its first decade. It will possess a well thought-out plan for its continued growth and development.

I hope to start discussion between the Museum staff and the owners of the Powell Museum in West Bay to make that some part of the National Museum. The Powell's Museum is one that has so much in it and I do not know how much assistance Government has given them, but I do think that we need to assist them. We have begun preliminary discussions and I am hopeful that it can become an adjunct of the National Museum.

Before I close I want to mention something about gratuities. This problem still alludes the Government and I have some plans which I am not going to make public, but they will soon be put in place. Hopefully, this stealing of gratuities by some properties will stop.

What I will make public is that if those properties that we know are stealing (we do not have the evidence in our hands, but we know that they are stealing gratuities) do not stop and start doing better by June, I will see to it that a financial audit is performed at least on an annual basis on the books and records of the properties and a specific report issued to the Government by the independent auditing firm. Testing to proper calculation and payment of gratuities will be allowed under the law.

I believe that room tax should be included because nothing has alluded us any more than this issue of gratuity. We know that they are taking the gratuities belonging to the workers. We know it! We do not have the evidence. So while I will be taking some measures (which I cannot reveal at this time) I am revealing the idea of the financial audit and the amendment to the law dealing with gratuities. It is a disgrace as to how some properties can flout the law. It is a disgrace! How many years have we talked about stopping them?

While some actions have been taken by the Finance Department, there is still a lot of room left for disagreement. The only way that we can satisfy this disagreement is to put in place provision for a financial audit on the books and records of these properties. It is not their money; it belongs to the people who work for them.

I want to mention a matter in my constituency, that of the John A. Cumber Primary School - the public school. I wish to record my thanks to the Minister and his Permanent Secretary for their efforts in particular on education at that school. I would like to especially say a word of thanks to the teachers at the John A. Cumber Primary School. Currently the enrollment is 450 students very large school. Just think of the handful of teachers who deal with this many children; they are doing well.

There are 21 classes ranging in size from 19 to 25, but we need more teachers. I think we are short of one teacher and that is in the process. Support staff consists of a full time reading resource person, one part-time speech and language pathologist for two days per week and one librarian.

There is some vacant position since September, one learning/emotional and behavioral disorder specialist. We have a computer room with 24 computers. I really congratulate the Ministry on this. I will talk to the Minister and his staff about the needs of the school. I know that they will have a listening ear for the needs of the John A. Cumber Primary School.

I support any additional funds for education. I support any additional funds for the primary schools, especially one of this size needs a lot of attention.

There was mention about a new school because of the need for space and I would hope that we could take the old John A. Cumber Primary School and develop the site for con-

tinued education for the district of West Bay. The community is big enough for such a programme to offer basic education, such as reading, mathematics, literary skills.

I think this is needed. I think parents need this. A lot of parents cannot help their children, and sometimes the children cannot do better in school because they have no assistance from that avenue. I believe for the future this is something that can be done and I am going to put that forward to the Ministry. Consideration must now be given to the building of another primary school due to an increase in enrollment at the school.

One suggestion is for the present site to accommodate years one to three, and for a new site to accommodate years four to six. Each school could operate as a four-stream school with each class averaging not more than 20 students. I do hope that I can see a marked increase in the efforts at the primary school.

I appreciate the many visits of the Minister and his Permanent Secretary, but this is the only way that we can know what is going on - if we visit. This was a failure of the past Member for Education, Mr. Benson Ebanks. He did not know what was going on. He did not know that the school was being built without windows.

Property is available in West Bay for this new school, and I, as well as my colleagues in Executive Council and fellow colleagues in the Assembly, assist the Minister with whatever he needs.

Madam Speaker, this is the first time in many years (and many long debates) that we hear actual praise for the Police Force. Not one word of opposition about Cayman Airways. I have been here 12 years and this is the first time that I can say that I have heard Elected Members say that they are satisfied with what the Commissioner of Police is doing; the first time that the Opposition Members never criticised Cayman Airways. This is proof positive that the Government is willing to put its funds where its mouth is, and have been judicious with what little funds it has to make things happen for the country.

There is a Bill on the Order Paper to create a Stock Exchange. A stock exchange for these small islands shows the vision of the Government, and I am thankful to our colleague, the Honourable Third Official Member, for his efforts. All of this shows the confidence placed in the Cayman Islands.

In spite of all that is said and all the opposition that is thrown at us, we have done extremely well. Do we not remember the opposition to the Housing Scheme? Look at the many things that were said about me, things that were imputed. Today 84 people have homes.

We heard first that the Housing Scheme was exclusive. We should not do it; we heard that Government should not do the guarantee because people would not pay their mortgage. Then we heard that no one was going to get houses. Remember the First Elected Member for Bodden Town calling it a hair-brained scheme. I am proud of that scheme, and I thank the Government (the official side) and the Financial Secretary for his assistance with the guarantees.

The Opposition opposed the Marine Institute. We now have an enrollment of 35 students and five more are waiting. What do we think would happen if we have to keep sending them overseas? In fact, it is getting difficult to send anyone overseas. But if we had to send them overseas at \$100,000 per year, how much would that cost us? While the Marine Institute cost us less than \$1 million.

Look at the opposition to sports. We have come a long way, Madam Speaker. Every programme put forward was criticised and improper motives were imputed by the Opposition. Juvenile crimes have dropped from 335 when we took over in 1992 to 115 last year. Is this not a good Government?

We were talking earlier about the work permits in the country. When we took over there were over 1,000 Caymanians registered who were out of jobs. As of Friday, there were 84 registered, and 35 of them were foreigners looking for a second job. They are willing to work. I cannot blame them for that.

Is this not saying that the Government has done well? We have revived the economy. We lowered the fees on company registration and at the last count that I have, as at the end of last year, we have 33,000 registered companies.

We have put Mutual Fund legislation in place. We are receiving \$1 million from that. Look at the problems that existed in the Shipping Registry. The last administration was so incapacitated that they were saying, 'close it down.' The Government worked out those problems and we now have over 500 more ships registered and the Government's revenue has grown over 60% more than in 1992.

I congratulate the Financial Secretary and his staff. We had something to do with it as well, we worked together.

Last year, in spite of the problems with the Civil Service where people had to leave (as we have seen again this year), it is something that brings bitter gall to my mouth. Last year over 156 Caymanian civil servants were promoted with substantial salary increases. Among these promotions, since we took over, for the first time in our history we now have a Caymanian Principal at the John Gray High School, and at the George Hicks High School. We now have a Caymanian director of the Health Services.

They said that I did not do anything, but I remember when I took over in 1992, they were bringing someone from Minnesota. I said it could not happen. Two Caymanians are now head of the Water Authority. A Caymanian also heads the Turtle Farm and, for the first time, a Caymanian is head of the Special Branch in the Police Force.

The Civil Service had to be brought up to par as far as salaries are concerned. We gave the civil servants an increase in 1994, and a 9% increase this year which I understand brings the value of salaries to the highest level in five years in terms of purchasing power. Who can say that we are not doing well? Pensions will come on stream this year. How long has that aluded this country? How many years have we heard that there is no pension and we need to get one? As soon as one is put on the table the Opposition springs up about it.

Health Insurance is going to be coming into force. I see where someone is saying, 'No, don't do that.' When will be a good time to do it? If not now, when? If not us, who? Now is an accepted time. Madam Speaker, we have done well and I am proud to say that it is getting better.

To summarise on my Ministry, we have granted more student loans than any other Government. From 1987 to 1992, only 102 student loans were granted. Between 1993 and October 1995, 117 student loans were granted. Student loans went from a value of from \$1.4 million between 1987 and 1992 to \$3.5 million between 1993 and 1995. Who can say, that our initiatives are not resulting in more people getting education. Training opportunities for our young people have been allowed and bring a grater number of qualified Caymanians into the work force.

We have done well. We live in changing and challenging times. We have our problems; traffic, the need of training for our young people and other problems. But as I have said from the beginning of my debate, we Caymanians have more to be thankful for than any other country in this region and most others that I know about. A lot of Caymanians are fairly well off to the extent that no one is starving, while millions around the world are suffering. Starvation is still a cause of death in the world today.

The quality of houses is excellent. If we look around this country, look at the types of homes that are being built... and we are trying to assist those persons in the lower-income bracket who need help. Our pioneering forefathers, who made these islands what they are today, took the position that all the blessings we enjoy are gifts from a Divine Providence which we have not earned by our own efforts or merits. This was a sensible view based on the practical experience of people who knew that as individuals they could not add one quill bit to their stature, nor make one blade of grass grow in the field. Our people were God-fearing, and were not afraid (nor ashamed, as it seems some people are today) to acknowledge their dependence on their Creator for the sun and rain and for good health which supplies the energy to work and till the fields and reap the harvest which gave them their livelihood.

Things seem to be different today. Do we ever stop to give thanks for what we have, and for what we have achieved and for where we are? We say we do, but there is reason to doubt our sincerity.

I remember when hurricane Marilyn passed so close here last year... People said it was luck. I say, Divine Providence. Our actions speak the loudest, they indicate that far too many persons are motivated by the idea that as individuals or corporations, small and large, they are entitled to whatever they can get no matter who has to pay the price. That they can take more out of the economy than they have put in, regardless of who suffers as a result.

It is true that there are persons who seem to reject any move to assist the less fortunate in our society. There are those who refuse to pay just and fair benefits. There are those who take that which does not belong to them, by their actions they are saying that might is right and they owe thanks to no one. This seems to be a trend, but it is the road to disaster and destruction in my opinion. What a people are my people?

I, too, wish to see a society more caring and loving for each other. This is the Caymanian way, this is the Caymanian culture - fast disappearing, sad to say - but we still have the blueprint for that society in the Ten Commandments; the Law of the Prophets, and in the Sermon on the Mount. This has not changed, but to build that society requires heart power more than brain power. It requires inner change, a change of heart, a change of mind, a change of attitude and a new spirit in our land. We can build this society for the future. We must build it; if we do not, the chances are that we will have one built for us. One shaped by ruthless forces of materialism and greed.

The problems we must overcome are man-made problems, but there are no easy, quick man-made solutions. I contend that to find those solutions we must get back to the example of our forefathers and seek Divine help and give our Creator his rightful place in our personal and national affairs.

I, too, wish to see heavy emphasis and reliance placed on such homely but enduring virtues as moral integrity, courage, most of all compassion and common sense. By and large our people are good and honest, they are made of that steel I spoke of earlier in the opening of my debate, but given the times we live in and the different influences upon us, when that steel is melted, when that steel is tempered and when that steel is cast; what people shall my people be?

As for me, Madam Speaker, The woods are still lonely, dark and deep, and I have promises to keep and miles to go before I sleep. Miles to go before I sleep.' I say: Land of my birth, I pledge to thee loyal and faithful and true to be. This marks my 12th year in this Honourable House, and I am pleased that I have accomplished things personally, some of them took eight years to get done. I can say to my colleagues in Executive Council and other Members that I am ready to fight

the General Elections and God's willing, I will tell the Opposition it will be a fight for them.

May Almighty God bless the Cayman Islands.

Thank you, Madam Speaker, and I do thank the House for its indulgence.

Deputy Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 3.33 PM

PROCEEDINGS RESUMED AT 4.00 PM

[Hon. Speaker Presiding]

The Speaker: Please be seated.

Debate continues on the Throne Speech. The Honourable Minister responsible for Tourism, Aviation and Commerce.

Hon. Thomas C. Jefferson: Thank you, Madam Speaker.

I wish to begin my contribution to the Throne Speech by thanking my constituents in West Bay for giving me the opportunity to serve them, and to thank the Members of the Legislative Assembly for their confidence in me by placing me in this ministerial position where I can serve all our people of the Cayman Islands.

There is no greater respect our people can pay to us than what they did for us in 1992. It is for us to hold that respect near and dear to our hearts. We need to continue to do what we promised the people then now and in the future, and continue to listen to their wishes. Additionally, there is no greater confidence that colleagues of this Honourable House can show than to elect a person as Minister, or an Executive Council Member of this country. Many times we think about it, but we never take the time to publicly say how grateful we are for the opportunity. I do so today.

I am honoured to join previous speakers in congratulating His Excellency the Governor on the content and delivery of the Throne Speech. I was particularly struck by the kind, but candid words he used in the beginning of his speech when he says; **"Financial Services and tourism are the engines which drive our economy and generate our wealth. Other countries are now trying to emulate our success. Such success comes with international responsibilities."** Those words alone should quicken our steps as we charge the course and move this country towards the 21st century.

We cannot rely on the fact that we were the first country in the Caribbean to sign a Narcotics Agreement with the United States of America. We cannot impress by quoting the fact that we moved on to sign a Mutual Legal Assistance Treaty, or that we have model legislation in all areas of the financial industry. No, we have to press on. Our challenge, I believe, is to stay at least one step ahead of our competition and monitor how world events and political fevers that run in countries around the world may affect us.

There is, in my view, no time to stay quiet; we must get out in the market place and promote ourselves. I was particularly impressed with the around the world financial industry promotion that we did last year in New York, London and Hong Kong. I publicly congratulate the Honourable Financial Secretary and the private sector for their performance at those events.

I know the Honourable Third Official Member to be an able man and I am sure that he will make his mark as Financial Secretary of this country (to some extent I think he has already done so). I will continue to support his objective to maintain the professionalism within the financial industry and to carefully

move the industry forward to maintain our competitive and successful position.

Previous speakers have commended him in relation to the accomplishments following the passing of the Mutual Funds Legislation. I do not propose to go in detail, believe the public is well informed on that issue. But I think it is an historic event, to have in this Legislative Assembly meeting legislation to establish a Stock Exchange. I congratulate the Honourable Financial Secretary for bringing that before this Honourable House. I think the Cayman Islands have reached the maturity level which actually requires this facility to be put in place.

While Government undoubtedly has its role to play, and we all agree with His Excellency the Governor who reminds us that each one of us in Cayman has his or her role to play in our responsibility from any angle - the Financial Industry, the Tourism Industry, the community and the family - we should return to the example so well established by our parents and theirs. That example is that good children create good communities, good persons for the labour force and good community leaders.

It all begins with the family unit and this Government, through the Ministry of Community Development, Sports, Women's and Youth Affairs and Culture (and I believe he spoke for at least five hours, so I do not propose to repeat what he has said), has accomplished great things for the family. The facilities and programmes which are put in place, whether we look at sporting facilities or look at the establishment of the Cayman Islands Marine Institute, or the After-School Care Unit, I believe we have made through his Ministry a tremendous impact on the social development of this country.

The example I referred to from our predecessors did not stop there. It required attendance at church where at least once a week we came to the House of God to give thanks and to sing praises to Him; to have many portions of the Holy Bible taught to us in Sunday School, and at least some of us also attended Wednesday and Friday night services. We did not have much choice, our parents said, "You are going." There were young people's services (as best I can reflect) every Friday night and most of the time were led by young people.

We still have some good young people around today. We just need more of them. We need also as parents and leaders of this Legislative Assembly and Government to encourage that kind of participation, it builds the principles of true leadership and the principles that we carry through our lifetime.

In my view, this is the key ingredient in building the men and women who make good communities. But the Government cannot do that for our people. There are (and this is my belief, Madam Speaker) more churches in the Cayman Islands than probably anywhere else in the world. So, really, we have no excuse for not attending church. Young and old alike need God's guidance, and being in the House of the Lord is the best way I know of strengthening good values and principles which the good Book teaches us about.

We need to stop changing our values to suit other people. Cayman has special characteristics, so let us hold fast to that which is good; that is the Christian principle. I believe it is the reason why we refer to this country as a blessed one. The Cayman Islands is a country that our dear Lord has blessed in such a way that everyone should take time to pray. May I commend you, Madam Speaker, for our prayers which we hold every day prior to reconvening the House after lunch to pray and gather in this House to invigorate our souls.

None of us are perfect, and for those who believe or infer that we, particularly the Ministers, should be I have found a poem. I would like to share it at this time:

"Perhaps he sometimes slip a bit;

Well so have you.

Perhaps some things he ought to quit;

Well so should you.

Perhaps he might have faltered.

Why?

Why all men do and so have I

You must admit; unless you lie, that so have you.

Perhaps if you would stop and think

When painting someone black as he, as some folks do;

Perhaps if we would recollect;

Perfection we would not expect;

But just a man half-way correct; [or woman] like me and you."

My perfection or non perfection I leave to the public to judge.

I would like at this moment to deal with some comments on the Tourism Management Policy and the Ten-Year Tourism Development Plan made by the Second Elected Member for Cayman Brac and Little Cayman and the Fourth Elected Member for George Town. The Second Elected Member for Cayman Brac and Little Cayman said, and I quote: **"I think it was a major mistake that this report which I hold in my hand [meaning the Ten-Year Tourism Development Plan for 1992-2002] was not accepted by this Government Another mistake of this Government."** I think he failed miserably to prove this Government's decision a mistake.

Then he went on to say, and got a little nasty in the process as well: **"Yet, what has been called this Government's plan are parts plagiarised to be implemented - piece meal."** What does he cite as his reason for saying it was a mistake not to accept the Ten-Year Tourism Development Plan? He says, **"...the Tourism Management Policy does not address the sociocultural aspect of tourism..."** that is his favourite subject 'expatriate versus Caymanian', **"...yet it is mentioned in the Tourism Management Policy document."** He cites **"permanent moorings for cruise ships should be constructed immediately as we are not doing just that."** meaning we are not doing anything about it.

The Port Authority last year agreed to move forward and have the permanent moorings put in place. We are not experts, so we do not claim to have the ability to decide what permanent moorings to install. We went about it by advertising in the *Caymanian Compass* for several weeks. Where was the Second Elected Member for Cayman Brac and Little Cayman while this was being advertised? He apparently does not know that we have done this. Did he see the advertisement? Or is he playing politics with this subject.

The Second Elected Member for Cayman Brac and Little Cayman also talked about a moratorium along Seven Mile Beach. That is another one of his reasons. Is the responsibility of a Government to put moratoriums in place when over 1,000 people are registered out of work, or is it to find work for these 1,000 people? I would think that the latter is the case

We did just that, the moratorium expired and we said that we were not going to put it back in place, because we wanted to ensure that every person in the Cayman Islands who wanted to work had the opportunity to do so. We moved forward and gained the developers' commitment. We got the construction industry back on line after about 18 months of work. They tried to use the Westin Casuarina as a political football, but it was, and is, the start of the construction boom that we are now talking about. While everything did not go to our satisfaction, it certainly made work available for those people who were unemployed.

I have much contact with small contractors and what I hear from them is that they just cannot keep up with the work anymore. They have their hands full. In some cases they have to tell the person who wants to construct a house to find someone else, because they cannot do it. Yet, the Second Elected Member for Cayman Brac and Little Cayman wants us to have a moratorium in place; for what? To keep people out of work! To make sure that we commit suicide in this country so that he can take over the Government, he and his cronies? Not as long as I have a vote, Madam Speaker. I am going to leave him.

The Fourth Elected Member for George Town (I think) came this time to put on his nasty rhetoric as well when he addressed the Ten-Year Tourism Development Plan versus the Tourism Management Policy. He said, and I quote: **"If it is the Government's position that what 300-odd people put together and decided was the course of action the country should take is unacceptable, then my understanding is that the consultants [meaning the ones the Department of Tourism recently hired] have now been brought in to tell us what is acceptable."** Now, he knows better than that.

I wonder if he read the Tourism Management Plan. More nastiness by the same Member: **"I do not know if the thought of the day is that I [meaning me] should not have to deal with something that is not mine."** What an accusation, Madam Speaker. What he is saying is that because the Ten-Year Tourism Development Plan was not put together by me, that I do not have to follow it. He goes on, because he is in his nasty mood and says, **"But I would think that the sensible thing would be to enhance what exists [meaning the Ten-Year Tourism Development Plan] not to have to start from scratch again."**

More nastiness, and I quote what the Forth Elected Member for George Town is saying, **"I can only surmise that all of the information that was left out and not used in the new document was unacceptable. That means that 300-odd people - many of who were professionals, and others who had been in the tourism industry for some 30 or 40 years, - really did not have any idea what was going on."** [Hansard 8 March, 1996.]

It is almost as the lyrics of the song that says, 'What a difference a day makes.' What different decisions the Fourth Elected Member can reach at different times. It must now be an Election year.

May I remind the Fourth Elected Member for George Town of what he said about the Tourism Management Policy in December of 1994, when he made his contribution to the Adoption of the Tourism Management Policy. He said, and I quote: **"The Tourism Management Policy has many goals that are in line with my thinking."** -, this is what he said, not me, **"..It is not a document that should not be supported."** Now a few days ago he is finding all kinds of fault with it, making all kinds of nasty remarks.

What pains is that the Second Elected Member for Cayman Brac and Little Cayman and the Fourth Elected Member for George Town have gone through in trying to find a subject to be used for political purposes in the General Elections. We will see. I wonder if these Members had actually read the Tourism Management Plan since it appears by some of their comments that they are trying to make the people of this country believe they have such an interest in tourism. I wonder if they attended the district meetings that the consultants held a week ago.

The Speaker: Honourable Minister, I do not expect that you will be finished. If additional time is given would you conclude this evening, or may we ask for the adjournment of the House?

Hon. Thomas C. Jefferson: Madam Speaker, I have a little more to say, and I believe I will not be finished this afternoon.

The Speaker: Would you then move the motion for the adjournment?

ADJOURNMENT

Hon. Thomas C. Jefferson: Madam Speaker, in accordance with Standing Order 10(2), I move the adjournment of this Honourable House until 10 o'clock tomorrow morning.

The Speaker: The question is that the House do now adjourn until tomorrow morning at 10 o'clock.

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

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until 10 o'clock tomorrow morning.

AT 4.30 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM THURSDAY MORNING, 14TH MARCH, 1996.

MOMENT OF INTERRUPTION - 4.30 PM

Standing Order 10(2)

**EDITED
THURSDAY
14TH MARCH, 1996
10.10 AM**

The Speaker: I will ask the Third Elected Member for Bodden Town to say prayers.

PRAYERS

Miss Heather D. 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 II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated. Proceedings are resumed.

APOLOGIES

The Speaker: I have an apology from the Honourable Temporary First Official Member for his absence this morning.

Government Business. The Honourable Minister for Tourism, Aviation and Commerce continuing the debate on the Throne Speech.

GOVERNMENT BUSINESS

DEBATE ON THE THRONE SPEECH DELIVERED BY HIS EXCELLENCY MR. JOHN W. OWEN, MBE, GOVERNOR OF THE CAYMAN ISLANDS, ON FRIDAY, 16TH FEBRUARY, 1996

(Continuation of debate thereon)

Hon. Thomas C. Jefferson: Thank you, Madam Speaker.

Before I begin to deal with the issues of my debate I would like to inform Members of the House that the Stock Exchange Bill will follow the conclusion of my contribution, as the Third Official Member will be travelling and will not be available on Monday morning. So I alert Members to expect that Bill to

come forward once my contribution has completed. The Financial Secretary will then be asked to move the suspension of Standing Orders to allow that to happen.

Yesterday when we took the adjournment I was dealing with comments made by the Second Elected Member for Cayman Brac and Little Cayman and the Fourth Elected Member for George Town. I believe my closing remarks were, "I wonder if these Members had read the Tourism Management Policy since it appears by some of their comments that they are trying to make the public of this country believe they had such an interest in tourism." I asked, why (if that was so) did they not attend the district committee meeting of the team dealing with the implementation of the Tourism Management Policy and pass on to that team their views so that they could be taken into account in the implementation strategy.

I wondered, too, whether the meeting specifically arranged for Members of this Honourable House to attend on Tuesday morning in the Committee Room was attended by those two Members.

Mr. Gilbert A. McLean: I heard it was not attended by you.

Hon. Thomas C. Jefferson: It did not need to be; it was for you. Additionally... and perhaps they need to correct me, I am unsure if they attend any of the meetings, or any of the prayer meetings that you have had, Madam Speaker.

The Speaker: Honourable Minister, I think I already mentioned to a previous Member that the matter of prayers is not part of the discussion in this House. It is an outside matter.

Hon. Thomas C. Jefferson: I thank you for the reminder, Madam Speaker.

The Speaker: Good, thank you.

Hon. Thomas C. Jefferson: One thing is certain; they come here and bellow all sorts of nasty remarks about tourism management policies in the hope that members of the public will believe it when they listen to the radio at night.

I know that they are trying to play politics with the subject and they really have no sincere interest in the subject. If they did have a sincere interest they would have taken the time to research what I said in December 1994 (and this is why I call them all nasty comments), when I moved Government Motion No. 9 dealing with the Adoption of the Tourism Management Policy for 1995 to 1999.

Let me quote what I said: "**The purpose of this document [meaning the Tourism Management Policy] is that it presents the key recommendation endorsed by the Government for a Five-Year Tourism Plan. It is based on the contents of the 1992 Tourism Development Plan, but spans the year 1995 to 1999 instead of the 10 years originally proposed.**"

Why, then, is the Second Elected Member for Cayman Brac and Little Cayman using this word plagiarism? It is nonsense! How can it be plagiarism if you declared to the public where the information came from? In academic terms plagiarism is when you take somebody's idea and claim it to be your own, not acknowledging anywhere in your paper or verbal

discussion where the information came from. I ask the Member to check the dictionary to make sure he understands what the word 'plagiarism' means.

Based on these words, how can the Fourth Elected Member for George Town make all these nasty comments and inferences, trying diligently to make Tom Jefferson look bad in the eyes of the public? I say to those two Members that I will leave the public to be my judge on my ministerial performance.

I know what I have accomplished for the people of these islands (and I did not do it alone) with the assistance of the National Team, civil servants and persons in the private sector. I want to ask one simple question: What has the Second Elected Member for Cayman Brac and Little Cayman, or the Fourth Elected Member for George Town, accomplished in the last three years for their respective districts? I wish they would get up and tell me what they did. It is a simple and honest question, and I leave the public to judge them based on what they have done in their three years.

Since the two of them made such nasty remarks, I just want to take some time to read what the National Team's Manifesto said in 1992 as to what we were going to do in relation to Tourism should we win the Election. It reads: "**Our policy (1) to maintain and improve upon what we presently have to offer our tourists.**"

The Fourth Elected Member for George Town obviously did not read that because his comments are far from the understanding of our policy. He is saying that we are forgetting other people, that we are discarding their advice, and all sorts of wild accusations.

Continuing, "**(2) to promote and expand our share of the tourism market especially in relation to tourists in the middle and upper income brackets.**" Not the package deals that the Second Elected Member for Cayman Brac and Little Cayman loves to refer to. It is his hobby horse.

Our objectives? "**(1) We intend to promote in conjunction with the private sector the training of Caymanians in Tourism. We undertake to examine working conditions in the Tourism Industry with a view to improving them. (2) We will continue to promote Tourism in the North American Continent. (3) We will broaden the base of our tourism product by enhanced promotions in the United Kingdom, Europe and the rest of the world where the currencies are now strong causing vacations to be more affordable.**" Plenty of evidence for accomplishments there, Madam Speaker.

There are direct flights from Gatwick by British Airways; major promotions in Frankfurt, Munich, Germany; Vienna, Austria; Milan, Italy, Rome; three cities in Spain, Valencia, Barcelona and Madrid; and the traffic is up from those countries. All of the statistics are showing increases from middle and upper income bracket people. "**(4) We will review the current moratorium on new hotels and continue to encourage the construction of hotels in all districts.**" Proof there too.

We have encouraged the expansion of Morritt's Tortuga Hotel up in Colliers, East End. They had a lot of trouble with the previous Government in getting any kind of concession or encouragement. We made one rule: You will have what is yours. We will give favourable consideration, too, but the Government wants what it is entitled to. This is the operation, this is the way we deal.

We even got a five star hotel approved by the Central Planning Authority for Pease Bay. I do not know if the Second Elected Member for Cayman Brac and Little Cayman (who lives in Pedro) deserves it, but there are more people in that area than him. We will see. "**(5) We intend to promote Caymanisation in the Tourism Industry such as hotels, restau-**

rants, watersports, and taxis. We intend to examine reports already submitted on the mooring of cruise ships to bring the matter to a publicly accepted solution."

That is moving forward. I said that yesterday. We are moving on with the cruise ship moorings and we hope (we are not experts) that before the Winter Season 1996/97 starts they will be in place. But I believe one of the main objectives of the National Team under Tourism is now gathering steam. That is the seventh item: "**We intend to work hand-in-hand with the tourism industry to increase occupancy in hotels and the number of customers in restaurants.**"

There have been so many restaurants opening up in this country in the last three years, and when I go around I see a lot of tourists eating in restaurants. We know how much we have to pay to eat in a restaurant in Cayman, and the Second Elected Member for Cayman Brac and Little Cayman talks about package tours.

I have visited the Grand Old House, the Thai Orchid Restaurant, Pagoda, Hemmingways, the Caribbean Club, not to name them all, but those are some of them and they are full of tourists.

I want to list a few accomplishments by this Government in the area of Tourism and Aviation. If I repeat myself once or twice, Madam Speaker, I pray for your indulgence. We successfully hosted the only Ecotourism Conference in this country with a resounding success; so much so, that the items discussed and the decisions that were taken at that meeting in May of 1993 are the cornerstone of Ecotourism activity in the Caribbean Tourism Organisation.

We introduced an amendment to the Planning Law to allow the Director of Planning and the Chairman of the Central Planning Authority to approve certain categories of development applications. For what purpose? To speed up the service to the public.

You know what the Second Elected Member for Cayman Brac and Little Cayman (and I hope I am not misquoting him) said in essence? 'It is not going to work. It is not going to make any improvement.' Talk to the public, let us hear what their reactions are to it.

When we took office the penalties under the Marine Conservation Law for polluting the waters around the Cayman Islands drew a grand penalty of \$5,000. This is what the man in the street calls peanuts. We said either it is zero or it is something sensible, and if we want to get the attention of anyone who has items with the ability to pollute our waters, we are going to raise this penalty to 500,000 Cayman Islands dollars, and we did it. We do not hear about a lot of pollution going on in the George Town harbour any more. Everybody has taken notice. Why? because the penalty is so stiff. If you have to spend a little money to protect yourself, you are going to do it.

The first meeting ever held by a Cayman Islands' delegation with the cruise lines (as far as I know) took place under my stewardship. What was the result when the whole Caribbean was in trouble getting an increase in Cruise Tax? We got our agreement at the table. We have a good relationship with the cruise ships. It is the only way to work in the future for the people of the Cayman Islands and to ensure that the prosperity that we have today is retained for our children and theirs.

Throwing darts at people who have money and come to the Cayman Islands is nonsense. Who do we want? Perhaps the Second Elected Member for Cayman Brac and Little Cayman can tell us. Perhaps he wants the people who he referred to on the package deals who are not coming here. But we know the kind of people he is talking about.

Let us talk about the record that my friend across the floor does not like to hear me talk about.... [laughter by some

Members]: record years in tourism air arrivals in 1993, 1994, and 1995. He is still saying it belongs to the previous Government. We lost the Marketing Director in North America for the Department of Tourism in the first quarter of 1993. He had better things to do, he went on to a better job.

In 1993 we lost (for medical reasons) the Regional Sales Manager in Chicago. We lost the Regional Sales Manager for London also in 1993 because the trust [fund] her ancestors left her came into play; she said it was time for a rest, she was going to take it easy and off she went. We even changed Directors of Tourism. I wonder if they want to give this credit to the previous Government as well.

For the first time in the history of the Cayman Islands we held the first Tourism Conference in the 1994. Do you know what the people of the tourism industry and the private sector said? 'Do not stop now, this is what we want. It is a learning experience, it cements the bond that creates good partnerships.' So what did we do? We held the second one last year to further the improvement of that partnership. We allocated an entire day to the private sector to do their presentations as to how they saw 1996 and what assistance they needed to make their section of the tourism industry work to their satisfaction. They will get it.

I failed to mention one important point. In 1993 we changed the entire overseas advertising programme. We did not throw away all of the material that was already designed and printed, and for which Government had paid money, we utilised it all. When that material ran out, our new material, "Ours and Yours" came into play. It did not fully come into operation until 1994.

The inauguration of our scheduled service from the European market: None other than the charter service of Caledonian from Gatwick in December 1994, followed in March by British Airways deciding to establish two days a week rather than one day a week (which is the charter) scheduled service from Gatwick, England.

Tom Jefferson could not have taken any more blows than he took for that issue. Where are we today? The decision was as right then as it is now; it is the gateway to Europe and, lest anybody forget, Europe is one of the wealthiest continents in this world. We even went on to have a developer agree to construct a major four star hotel - another great asset for the future. It is the type of accommodation which is in demand and can only be in demand by those persons who are in middle- to upper-income brackets given the prices they are being charged.

We have restructured the Department of Tourism to enable us to move forward with the Tourism Management Policy. Anyone who believes that the department (which was founded in 1992 when I took office) could implement any tourism policy, needs to seriously re-examination that view.

We have completely automated all the overseas offices - London, New York, Chicago, Los Angeles, Houston and Miami - and they are all tied in directly to the headquarters here in the Cayman Islands. So access to information, E-mail from the Director to any specific office . . . like they say, "A piece of cake," Madam Speaker. A piece of cake!

I am not going to cite any more achievements. I craved your indulgence, and I think you have borne with me, but sometimes some Members across the floor, particularly the Second Elected Member for Cayman Brac and Little Cayman, and to some extent (now coming a close second) the Fourth Elected Member for George Town, say so many things that you have to make sure they get corrected. My job is to correct them.

Let me leave this subject and offer some comments on transportation. I do not believe I need to say this, but I will.

The subject of transportation is not mine, but I have been charged with responsibility by His Excellency the Governor for Ports and Airports and my Ministry plays a part in the transportation process.

I have said from 1993 that transportation is a national issue which needs all arms of Government working together with proper legislation to adequately manage it. The image that taxis, tour buses and the buses that transport residents from each district to George Town, create is a national image. No solution will be found until a national management approach to the problem is effectively addressed and taken.

When the National Team assumed responsibility for the Government, we found that the total number of omnibuses and taxis registered and licensed was 143 omnibuses and 270 taxis. We found that the transportation services (to put it mildly) is saturated with buses and taxis. There was tension between the tour bus operators and the taxi operators - so much so, that in 1993 there was a protest by taxi drivers when large tour buses were imported.

Government moved quickly to amend the Traffic and Customs Laws to require the Governor in Council to grant permission to import any bus over nine seats and to also require permission before it was placed on the roads. While the Second Elected Member for Cayman Brac and Little Cayman calls it, and I quote, **"One of the magic moments in this House under this Government in the late night the Customs Law and the Traffic Law were changed, supposedly to take care of the problem."**

Firstly, the Second Elected Member for Cayman Brac and Little Cayman scolds us by saying, **"problem— solving is what Government should be adjusting itself to."** Then, when we fixed the problem, he tries to chastise us by saying, **"it was one of those magic moments in this House under this Government in the late night...."** It was fixed at that time. What double talk. Does he believe he is fooling the people of this country? I say, a resounding, NO! Those pieces of legislation brought more control over operations in transportation and reduced the tension among the operators at the time.

The Government will also be moving forward shortly to bring into force more regulations to come to grips with the problem of transportation. I am not saying that there are no problems, but I remind the Members that tour buses and taxis lined up along South Church Street are not on Port Authority property. So the Port Authority Law and Regulation does not control any situation which may arise there. What controls that is the Traffic Law. What controls taxis and buses on the streets at the hotels and at the restaurants is the Traffic Law. We now need to bring that into play to sort out more of the problems.

The Port Authority Law and Regulations can only control those tour buses and taxis when they are physically on Port Authority property, meaning when they are in what we call the 'horse shoe' at the port.

It was in 1994 that we put together guidelines for taxi and tour bus operators at the Port. In particular, I refer to the Port Authority (Licensing of Vehicles) Law, 1994, which gives the Port Authority authorisation to licence and inspect vehicles, licence drivers and operators and also the power to suspend and revoke vehicle licences. It also imposes a penalty for obstructing any authorised officer in his or her duties.

We made arrangements for a meeting to take place here in Grand Cayman with the cruise representatives and members of the taxi group. We went on to further arrange for representatives of the taxi operators at the Port to travel to Miami and discuss with the Operational Committee of the cruise ships their desire for taxi operators to receive a larger piece of the action, and to put forward a proposal to do tours for cruise ship passengers.

We gave them every assistance. But we cannot tell a taxi driver what fare to charge passengers in their proposal. We should not. What I did tell them is that their fare must be competitive.

Last October we restricted the number of passengers that tour bus operators can pick up at the Port. Another attempt to give the taxi operators more passengers.

We found that although an operator might only have 100 seats under his or her control, he was booking 150 to 200 passengers and bringing in other operators to assist him with the process. We put a stop to it and said, if you only have 100 seats you can only be allowed to pick up 100 passengers per tour from the cruise ship. That is in place. After a number of personal visits to the Port, I have held discussions with the Port Authority Officials and put in place more controls, more security officers, and we have advertised for two more taxi dispatchers. There is a move to ensure that we understand, on a daily basis, how many passengers are being transported by each tour bus operator and to ensure that it is in accordance with the restricted number. We are also monitoring passengers transported by taxi operators from the Port.

We hope to know accurately (because in this day and age we have to verify most of what we hear, we just cannot take it for granted) how many passengers are being moved by tour buses and taxis. Steps will be taken to bring a better equity of fairness to the service. But I still say to taxi drivers: Watch the fares you are charging. If you are charging \$15 per person and the tour bus operator is charging \$11, then we can all appreciate how difficult this situation is to resolve in order for the taxi driver to get a fair share of the market. It is a very competitive market, indeed.

I come now to watersports. I did mention earlier the Customs Law that was brought and put in place. The same one that the Second Elected Member for Cayman Brac and Little Cayman talks about as 'one magic moment under this Government in the late night.' I can assure the people of this country that the control which we established has paid handsome dividends because the Government now has control over who gets permission to import a boat. I would go on to say that this control has halted the demise of the small indigenous watersports operators.

We do not come here and tell how many applications we get from people who are already in the business, or who has the money to expand their fleet of boats and take more business away from the small operators. But it is a fact that the Government has turned down many applications. I would not be surprised if there is an appeal soon on a recent application which was turned down. We have to stand up for the small indigenous watersport operators who actually created (some of them) Stingray City: Capt. Gleason, Capt. Crosby, Capt. Marvyn, Capt. Frank (I might not get all the names). Those are the people who have been operating in the North Sound taking people bone-fishing, snorkeling, providing marinated conch, throwing the conch that is too tough to eat overboard causing the stingrays to feed on it and over a period of time every time the boats arrive, here come the stingrays. This, in my simplest terms, is how over a period of years stingrays congregated in Stingray City and the sandbar area.

These indigenous watersport operators, small though they are, have formed their own association known as the Cayman National Watersports Association. We have been assisting them. They have the ability to do advertising, but perhaps not as significant as it should be, to break into a market that is very competitive.

The Department of Tourism has paid for advertising in *Horizon* magazine, two full pages of displays on their boats, to help them to receive a bigger portion of the business. I am not

going to go into detail as to whose boat and on what page, but what I am going to do, with your permission, Madam Speaker, is to lay the magazine on the Table. Let the Members all read it.

I have never heard about this kind of help before. We have also given them assistance in the magazine *What's Hot! In Cayman* . . . We are paying for advertising there too every month of this year. I have the magazine and can also lay that on the Table.

We put out a new watersports brochure and made sure that all of the small operators we were aware of at the time were included on the back of that brochure which gives, by legend, what sort of services they provide and gives the telephone number where they can be reached. I lay this on the Table as well, Madam Speaker.

In the April issue of *Skin Diver Magazine* (which is not yet available to the bookshelves, but I have a copy) on pages 73 to 75 there is an article on the North Sound experience which features one of the original people, Capt. Crosby, with his guitar. It also lists, on page 74, small watersport operators. I will lay that on the Table too, Madam Speaker. I lay this on the Table so that there is no question as to whether we are doing it. People do not really have to believe what Tom Jefferson is telling them. It is on the Table, they can read it.

Most recently we arranged for the Vice President of one of the cruise lines and his Director of Excursions to come to the Cayman Islands to sit down and talk with small operators who come to the Port Authority seeking to have Stingray City trips who, on many occasions, go home with nothing. For the benefit of the Second Elected Member for Cayman Brac and Little Cayman, we are going to fix that too.

Let me move on. I sincerely believe that there is a need for additional legislation for the watersports industry to be effective by all the wishes we have for it. There is a need for the licensing of boats and for the legislation to say what the total number of passengers which can be safely transported on a boat is. There is a need for a certificate of crew after a short local training course.

When we think of legislation my humble view is, the simpler the legislation the most likely we are to get cooperation in what it is seeking to accomplish. Licensing of boats in my mind is primarily to require that an identification number be placed on it and to ensure the safety and seaworthiness of the vessel itself. It should also deal, as I have said earlier, with the total number of passengers that can be safely accommodated.

By certificate of crew, I foresee a local course which the Department and the Port Authority will coordinate or support, where persons in the industry who are not able seamen or competent captains can gain the required knowledge and skill. May I also add that jet skis and wave-runners, in my view, need to be part of this legislation. We need them to be licensed. We need to be able to put a proper identification mark on those machines.

I will make sure that we invite members of the two Watersports Associations to meet with the Port Authority and the Department of Tourism and anyone else believed to be relevant, and myself, to brainstorm ideas of what this legislation should contain. I am going to make every effort to put that legislation in place before this House dissolves.

Moving on. The Port Authority, in conjunction with hotels along Seven Mile Beach, has been marking a channel from the beach to the 200 yard buoys which run parallel to the beach from Northwest Point to the Radisson. The channel is a buoyed-off area, 50 to 75 feet wide leading from the beach to the 200 yard marker. We are proposing five channels and they are located at (1) Beach Club/Hyatt Hotel to be shared by both, (2) Radisson, (3) Holiday Inn, (4) Westin Casuarina and (5

Public Beach. Due to the breakdown of some equipment they are not yet complete, but as I understand they have been buoyed off from the beach going out at least 70 yards. We are going to push to make sure this is in place. It will be required that these channels be used by dive boats and other boats as well as jet skis and wave runners when approaching the beach where the speed-limit will be 5 miles per hour.

Hotels have been cooperating and we have requested them to buoy off their swim areas as well. These actions are seeking to maintain the safety of swimmers, divers and persons who ride jet skis and wave runners. We have met with the commercial people who rent these wave runners and jet skis. They have put forward their views, and some of the things I have said fit squarely within their views. They feel that these jet skis and wave runners should be registered; they feel that the minimum age for riding a jet ski or wave runner should be at least 16 years old, perhaps higher, and that one should have an identification card to verify that age. They have undertaken not to rent any jet skis to persons seen consuming alcohol, or believed to be under the influence of alcohol. All jet skis must leave and return to the beach at 90 degrees and that is in conjunction with the channels that we are marking.

I want to address a comment made by the Fourth Elected Member for George Town on contingency warrants. His comment is framed in such a way that the public could draw the conclusion that Government was not operating within the Law in dealing with the finances of the country. If that was his intention, I take issue with his remark. The Public Finance and Audit Law of 1985 under section 21 clearly reads: **"...where the Financial Secretary is satisfied that due to exceptional circumstances an urgent need had arisen for payment - (a) to meet expenditure - [he may do so] by contingencies warrant under his hand authorise the Accountant General to pay from public moneys an advance of moneys to meet that need."**

There is more wording than that but I do not want to overdo the situation. The issue of contingency warrants is very much a procedure laid down in the Public Finance and Audit Law of 1985, and this Government has (and will continue to) operated the finances of this country under that Law. So let us not let the Fourth Elected Member for George Town put any other idea in anyone's mind about this Government not operating properly.

I want to jump around a bit among subjects if I may, and say in all honesty and humility that over the last three years tourism has been nothing short of that magic moment that the Second Elected Member for Cayman Brac and Little Cayman spoke about. I do not expect any words of appreciation from him. He sees his job as the need to make me look as black as mentioned in the poem I quoted from yesterday. His eyes must light up when he thinks of himself as being the Minister for Tourism in 1997. What a dream. Let us not wake him up, let us leave him to dream.

I think it was one year ago that the Caymanian Compass interviewed some stakeholders in the tourism industry who said that tourism arrivals were down. He was then quick to jump and say, 'The Minister of Tourism takes credit for increases in tourism arrivals, he must now take blame for these decreases in arrival traffic'. When our statistics were later produced, it proved the story to be inaccurate. But do you catch the point, Madam Speaker and Honourable Members?

During the last three years, (1993, 1994 and 1995) tourism has grown steadily. What does the Second Elected Member for Cayman Brac and Little Cayman say? (Remember he is opposition): 'The Minister of Tourism is concentrating on quantity, packages, packages, packages'. When the traffic was inaccurately said to be down, the Second Elected Member for

Cayman Brac and Little Cayman goes on the attack blaming the Minister for Tourism, who must do something about it.

He tries to say (among other things) that what has been accomplished in tourism in the last three years is all luck. Madam Speaker, I found a poem entitled 'Luck,' that suits him and that idea of luck as well. It says:

*He works by day and toils by night;
He gave up play and some delight.
Dry books he read, new things to learn;
And forged ahead, success to earn.
He plowed on with faith and pluck;
And when he won, men called it luck.*

So did the Second Elected Member for Cayman Brac and Little Cayman. But let me educate him, as well, by reading the correct reasons for the accomplishments during the last three years.

In the words of Henry Wadsworth Longfellow, suitable words, not just for me but everyone connected with the industry of tourism: **"Heights by great men reached and kept/Were not attained by sudden flight/But they, while their companions slept, were toiling upward in the night."** A very appropriate poem.

We know who had been sleeping. We know who did not even read the Tourism Management Policy - the same two Members.

The National Team has utilised the last three years to put the economy of the Cayman Islands back on a sound foundation. We have fixed the broken financial record, the responsibility for checks and balances, by reversing Motion 3/90, and caused only Elected Members of this House to be Members of Finance Committee; yes, for the Honourable Financial Secretary to take his rightful seat as chairman of the Committee.

We have established strategic plans in Education and in Health; we have streamlined the operations of the Central Planning Authority. We have dealt with the backlog of the Immigration Board. We have put Cayman Airways in a sound operational position. We have established facilities for our youth; we have established programmes for our youth. We have improved our roads, with more to be done, of course. We have attracted British Airways with scheduled services from Gatwick... and the list goes on. There are still some areas that need fixing and we will dedicate ourselves to accomplishing those as well.

I would like to make some comments on the economy of Cayman Brac. Although we changed our advertising programme in 1993 (and as I said, it did not fully come into operation until 1994), that advertising programme, 'Ours and Yours,' features all three islands. All of our advertising material, all of our brochures - the whole way in which we operate - is to stimulate tourist arrivals to all three of our lovely cherished islands. The results show that Little Cayman and Grand Cayman are doing well. However, Cayman Brac is not attracting visitors in sufficient numbers year round.

So what should we do about the situation? Late last year (before Christmas) we summoned a meeting with the Sister Islands Tourism Association (that is the Department of Tourism and the Ministry and the Sister Islands Tourism Association), to put their ideas together on what they thought would be a good approach to solving this problem. This was before we had the Executive Council meeting over in Cayman Brac. After that meeting we followed through - we had our meeting. Perhaps he is right to say that we had that historic meeting. I was impressed with the Sister Islands Tourism Association Executive Committee and those persons who were present

there on January the 30th. I was impressed with their positive and creative ideas and their willingness to put money on the table to assist with the advertising of their island.

I offer my congratulations to Mr. Ben Perry and his members of staff on firmly establishing a partnership with the Department of Tourism and the Ministry. We are going to be advertising Cayman Brac specifically in order for it to gain more exposure in addition to the usual 'Ours and Yours' promotions.

We are working on advertising to niche markets, such as bird watchers and cyclists, to name some. We are going to work with Cayman Airways and Island Air to ensure timely connecting flights to Cayman Brac.

I believe the First Elected member for Cayman Brac and Little Cayman is correct (and I hope I am not misquoting him in any way) when he said, "**...the establishment of electrical power in Utile Cayman and the construction of a small hotel and condominiums has caused divers who are attracted to the world renowned dive sites, Bloody Bay and Jackson Wall, to no longer need to stay in Cayman Brac.**" So the Brac has suffered because of recent development. If those statements are correct, then in my view we need to find a method (an item) whereby the attractiveness of Cayman Brac can stand on its own image locally and internationally.

Grand Cayman has Stingray City and Little Cayman has Bloody Bay Wall and Molly the manta-ray. We are hoping to obtain a ship to sink in the Cayman Brac waters and Executive Council has given its approval to the project. So people of Cayman Brac, we are going to bring more visitors to your lovely island - God willing.

I want to know if the Second Elected Member for Cayman Brac and Little Cayman is going to support us on this.

Mr. Gilbert A. McLean: When you bring her.

Hon. Thomas C. Jefferson: When I bring her?

Mr. Gilbert A. McLean: I mean a cruise ship.

Hon. Thomas C. Jefferson: The song says, 'Watch Me'. I believe the sinking of this ship in the waters of Cayman Brac will provide the attractiveness to divers that Cayman Brac lacks at the moment, when compared to Stingray City and Bloody Bay Wall and Molly the manta-ray.

Let us dream for a minute. The sinking of this ship on a Saturday afternoon could also create a wonderful occasion for local persons in Grand Cayman to spend the weekend in Cayman Brac to view the sinking and to have a weekend of celebrations, including a Sunday Church service.

What is a fact is that in the United States divers and ship wrecks are drawn together like steel and a magnet. It is the reason why Florida has the largest ship wreck programme in the world today. It is the reason why Caribbean countries such as, Anguilla, St. Croix, St. Lucia, Barbados, St. Thomas, Roatan and Honduras have been deliberately sinking ships at dive attraction sites. I believe that with God's help we are going to put Cayman Brac at the right level.

Some people do not want to take Tom Jefferson's words for it, but I got a letter from the Vice-President and executive publisher of *Skin Diver Magazine* and he says: "**I understand the Government has approved the purchase of a boat that will eventually be sunk as a wreck in Cayman Brac to form a ship wreck attraction. Needless to say, we at *Skin Diver* are very excited about this project and intend to devote major editorial coverage to this new diving attraction.**"

"In my opinion [the opinion of one of the top people in the dive world], **a major ship wreck of this magnitude could be just the thing to change the direction of the Brac's economy and generate a whole new wave of diver-tourism to this island.**"

The Speaker: Honourable Minister, may we have a suspension for 15 minutes?

Hon. Thomas C. Jefferson: Certainly, Madam Speaker.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.34 AM

PROCEEDINGS RESUMED AT 12.01 PM

The Speaker: Please be seated. The Honourable Minister for Tourism, Aviation and Commerce continuing.

Hon. Thomas C. Jefferson: Thank you, Madam Speaker. When we took the suspension to have a little break, I was talking about the upcoming launch of the Tourism Education, Training and Awareness Programme in 1996. The official function is scheduled for the 29th of March and all Members of this Honourable House, among others, will receive an invitation to His Excellency the Governor's residence... and I publicly thank him and Mrs. Owen for agreeing to host that event.

The Ministry of Tourism through its Department of Tourism is embarking on a programme of Tourism Education, Training and Awareness activities. Some of these programmes are new while others are being re-introduced. However, all of these programmes will be ongoing.

Over the years the Cayman Islands Tourism Industry has developed and grown to an enviable position in the Caribbean tourism arena. However, factors such as increasing competition (both regional and international), the need for all development to be sustainable, the importance of preparing our own people to be an integral part of this growth and development and to be supportive of the industry, have heightened the importance, and, indeed, the urgency, of developing and executing ongoing tourism education, training and awareness activities.

Ralph Waldo Emerson was truly correct when he said, "The true test of civilisation is, not the census, nor the size of cities, nor the crops - no but the kind of man [or woman, I add] the country turns out."

Our people do make a difference and the Department of Tourism's 1996 Human Resource Development Programme to be undertaken by the Tourism Development Services Unit is seeking to ensure that they are equipped to reach the high level of performance that this highly competitive industry demands.

A number of programmes will be offered to our young students in the primary and secondary schools; to persons employed directly or indirectly in tourism; to our own Department of Tourism staff and to the community at large.

The Department will be working closely with the Department of Education, the individual schools, the Hotel and Condominium Associations, the Government Information Services and, let me not leave out, the Ministry of Community Development, Sports, Women's and Youth Affairs and Culture, to name a few. The partnership approach will be emphasised in the development and execution of these and other programmes. Some of the programmes to be re-introduced will include presentations in schools, summer work experience

programmes, tourism quiz and debating competitions, tourism learning packages for schools, a monthly radio programme (for lack of a title) "Talk Tourism," a monthly newspaper column (another possible title) "Tourism Connection". On the 29th of March we will also name the chairman of the Tourism Awareness Month.

We have clearly recognised and have restructured the Tourism Department to be able to accomplish this, Madam Speaker. We can no longer confine our efforts in this area to one week or one month in each year.

The Annual Tourism Awareness Month will therefore now be the combination of our ongoing tourism education, training and awareness activities.

Madam Speaker and Honourable Members, we recognise that it is the responsibility of the Ministry of Tourism and the Department of Tourism to initiate and facilitate programmes such as these. However, the success of these programmes lies in the partnership approach. We cannot accomplish this by looking with blinders on at what the public service can do. It must be a partnership between the private and public sectors. We owe it to our present generation and future Caymanians and all stakeholders to undertake programmes such as these. To do otherwise would be folly.

On the 5th of March we held a luncheon at one of the hotels to alert our partners and stakeholders to our plans, and to seek their cooperation; to outline to them the part we hope they will play in these programmes, and we ask for their full support and cooperation in building a better Cayman as we move into the 21st century.

The Human Resource strategy of the Tourism Management Policy identifies eight tactics which are in keeping with the quality service components of commitment, communication, accountability and recognitions. I name these eight tactics: (1) strengthening the collaboration of all stakeholders, (2) launching a major communication and education campaign, (3) coordination of recruitment efforts, very important one, (4) introduction of career paths, (5) development of performance standards of all jobs in the industry, (6) equipping people to reach a high level of performance through training, (7) creation of data gathering models and methodologies unique to the industry, and lastly, (8) addressing the sociocultural impacts of tourism.

The Cayman Islands Department of Tourism; Tourism Development Sociocultural programme, a new area of activity being undertaken by the department seeks to implement the overall product and human resource strategies through specific ongoing programmes. In this first year of implementation (1996) the Department of Tourism is introducing a number of new programmes and reintroducing others that have been suspended for one reason or another. These programmes will cover training programmes for persons working directly or indirectly in Tourism, training programmes for Department of Tourism staff (local and overseas), programmes for primary and secondary schools, and programmes for the general public.

The Department of Tourism did a Training Needs Assessment Survey which was carried out to determine the effective and cognitive learning needs of persons working within the Tourism industry. Using the data from that survey, programmes of training, workshops and seminars have been developed for 1996 and, hopefully, will be continued on an annual basis with appropriate amendments being made as the data changes.

I propose to request that the Government look closely at scholarships in the area of tourism. As we move forward with programmes and achieve some success in attracting the younger generation into the Tourism Industry in more numbers, we need to ensure that it is not just the bottom we are talking

about, but also attracting young people who have the ability to pursue higher education to be trained in the management side of tourism facilities.

Mr. Roy Bodden: (inaudible interjection)

Hon. Thomas C. Jefferson: I am hearing a lot of support from the other side, Madam Speaker, and I am grateful for this. I think it is what the country needs. If there is ever one item that should be able to unite us all, it is training of our youth; of preparing the younger generation to take their rightful place in this country in whatever specialisation they so wish to have.

But you know how this whole thing grew up? We started off in the banking arena, in the trust business, the accounting business, the legal business and it was great social esteem to say, 'I am working at Barclays Bank PLC,' 'at Scotia Bank' or 'Canadian Imperial Bank of Commerce,' among others. The person more or less felt that they had achieved. And they had. What we have not done is say to those young people, 'There are career opportunities available in the tourism industry.'

When we hear someone talking about the Tourism Industry and the people who are working in it, we hear about housekeepers and bellboys, but we never hear about executive chefs, or the front desk manager. We never really hear about the connoisseurs and, in addition to that, we never hear how much money they earn in those positions. If we do not tell them, how can we attract them?

A person who is a teller at a bank might think that they are making a lot of money earning \$12,000 or \$15,000 per year. But you know what the average food server in a hotel makes? When you say food server and waiter and waitress some people begin to turn up their noses. I cannot, Madam Speaker. I was an officer's mess boy on a ship for 16 months. I woke up at 5 o'clock in the morning and finished usually at 8 o'clock. There is nothing wrong with it; it is earning your wage in whatever occupation you get.

But do you know that a food server (waitress or waiter whichever one you want to use) earns? In the range of \$25,000 to \$30,000 per year. We have some people turning up their noses. Do you know that a cocktail server is in the same bracket? Sometimes we hear comments such as: "Who, me? I am not going to be a bartender." Some people fail to realise how much a bartender makes. On an annual basis they earn between \$30,000 and \$40,000 in a major hotel in Grand Cayman.

A Restaurant Manager who is responsible for overseeing the restaurant and staff (this is not an area where gratuities come into play as they would for the food server or the bartender) earns \$28,000. The Assistant Food and Beverage Director responsible for overseeing the restaurant managers and outlets makes on the average, \$37,000.

What about the Food and Beverage Director who is generally responsible for overall operations, loading equipment, budget, purchase and forecasting? They earn \$53,000. The younger generation does not know this, and I do not believe the Second Elected Member for Cayman, Brac and Little Cayman knows it either. I know he is not listening.

The Cook in a hotel (and I am not talking about an Executive Chef) the first rung on a cook's ladder, can earn between \$20,000 and \$25,000. There is another level call Souse Chef, they earn in the range of \$28,000. They are responsible for food quality, presentation and overseeing the cooks. The Assistant Executive Chef who oversees the Souse Chef and who is responsible for food quality and presentation and creativity earns about \$37,000.

There are not a whole lot of people working in a bank who are making more than those sums of money, but we have to create the education in the community, the education of the young people and the education, specifically, of the parents of these young people.

An executive chef responsible for all chefs and kitchen personnel, overseeing labour and food costs and control and ordering, earns \$53,000. I only hear about those numbers when a person is a lawyer or a partner in an accounting firm or a manager of a bank. The opportunity in Tourism for a career is wide open. Let us unite and do the job to put our young people in place; to provide encouragement and training, and to stand by and make sure that they get their fair opportunity to ride the rung of the ladder of promotion so that they reach their highest level at which they can perform.

I was talking about turning up our noses at waitresses and waiters (and the fact that I was an officer's mess boy for 16 months), that is where some general managers start - washing dishes. Today they are earning \$80,000 to \$100,000 as General Managers of a hotel. Even if it is \$50,000, that is a lot of money for washing dishes. They only gave me \$70.00 (US) per month for the washing of the dishes that I did.

Thank God for that opportunity, it helped to make me the person I am today. Education is not only found in books and at Universities, it is gained as you move through life and different challenges and, to some extent you might think, burdens.

I am going to ask the Governor to focus on tourism when we think about educational scholarships, but our first step is to ensure that we educate the public, that we educate the children, and that we educate the parents regarding the career opportunities that are available.

I want to give a bit of information on Tourism, as I understand it, and what it looks like for 1996. In the United States the economy experiences continued steady growth at a projected 3% in 1995 and 2.5% in 1996. The unemployment level has also fallen from 5.8% in 1994 to 5.6% of the labour force in November 1995. These developments, together with a fall, and the balance, of payment deficit all spell good news for travel.

In 1994 over 45 million Americans travelled abroad, almost a 5% increase over 1993; and estimated arrivals for 1995 in the United States (their figures are not confirmed as yet) is 47.4 million, a 2.1% increase in the number of Americans travelling abroad. According to a report which I read, a total of \$US 56.2 billion was spent by Americans travelling abroad in 1994. It was projected to increase to \$60 billion in 1995. So the prospect for 1996 certainly looks good.

The weather which the North American continent has been experiencing over the last three months... I think my poem of luck may not apply in this case. So we are off to a good start in tourism arrivals. We closed the year 1995 with almost a 6% increase in total air arrivals over 1994.

In cruise ship traffic we experienced almost a 14% increase.

I took note of what the First Elected Member for Bodden Town said in his contribution, and I quote: "**While 1995 was a record setting year for tourism arrivals with more than one million reported,....**" So we have reached one million mark now. I think he might have been making a sincere point, but no where in our plan or projection were we seeking to have 682,000 (almost 683,000) cruise ship visitors come to our shores. As a matter of record, when we came to assume the responsibility for Tourism, that year cruise ship arrivals were 613,470. We have been saying for the last three years that 600,000 is enough. So what happened in 1993? We had almost 606,000 cruise ship passengers. We were down by about 700 passengers. Then what happened in 1994? We

were at 599,000 passengers. But we cannot control the acts of God, Madam Speaker.

Several islands in the Eastern Caribbean got totally wiped out by hurricanes Louise and Marilyn: St. Thomas to name one, St. Croix, another; St. Martin, another; Antigua, another one. If Cayman is going to remain in the business of tourism we have to be flexible, especially when we know that it is a temporary situation. The reason why we went to the one million mark the First Elected Member for Bodden Town talked about, is because of those cruise ship passengers who visited the Cayman Islands from September to December 1995 pushed us over the 600,000 mark.

I think he has always been the person who said (I do not wish to misquote him) that it makes more sense to increase air arrivals. That is exactly what we have been doing. In 1993, we had an increase of almost 46,000 people over 1992. In 1994, we had an increase of 54,000 over the number in 1993. Then they jumped up and said, 'Oh, you got too many people. You are dealing in quantity!'

So we said, "All right, let us address our minds to it," and that is one of the reasons why we had less than a 20,000 increase from 1994 to 1995. But the other principal reason is that in 1993 and 1994 we utilised tourism as an engine to stimulate the economy of this country to put people back to work and improve the occupancy rates in the hotels.

They did not want to see that, they wanted us to leave the moratorium in place. Our responsibility is to make sure that our people find work, that they can put their hands in their pockets and put food on the table for their families, that they can put their hands in their pockets and assist their families in need. Not to rigidly hold fast to a cemented position that because somebody else put a moratorium in place, you have to do it too.

It is the reason why we moved forward with the construction of another major four star hotel to create work for the people in the Construction Industry. Some people forget, you know. How many people were out of work? Not just the 1,000 who were registered, small indigenous construction contractors could not find anything to do. Nobody had any money to do anything. What we did was right; we put people to work. The small indigenous contractor is busy. Everyone I talk to is busy. We do not hold fast to things that do not work. Why should we?

Land sales in this country went down to the bottom of the bucket because of the 10% stamp duty. We reversed it and what happened? Ask the Accountant General. He is finding so much money from stamp duty... I was tempted to say, he does not know what to do with it, but I am sure he does. This year, in the first two months alone, over \$3 million in stamp duty has been collected on the basis of \$33 million worth of land being transferred. That is the success story. Put that in your pipe and smoke it!

I take the time every day, almost religiously, to watch the weather channel. Each time I watched it over the last three months (and I have a sister who lives in New York) I smiled. That kind of weather can only be to our advantage.

We released information in January on tourism arrivals (and it came out at the starting block blazing down the trail of the 100 meter dash) which showed a 14% increase. It is off to one of the best starts in our day. We are not done as yet. We also have the figures for February - 11.5% increase. You know what? Every region is up; and they want to give that praise to the former Government too.

The United States is up by almost 11% (this is the cumulative figure for January and February); Canada is up by 16.8% (almost 17%); the United Kingdom is up 13%; Europe is up - 29%; Japan is up almost 32%; other areas of the Carib-

bean almost 40% and the rest of the world - 29.4%. Of the overall cumulative, 12.6% is the year-to-date figure so far.

I want to also impart to you, Madam Speaker and Honourable Members, some further details. We stated our promise to this country to expand the European market and diversify the base of Tourism. All of us put our shoulders to the wheel to achieve this. We are gaining ground. Arrivals from Austria are up almost 38%; from the Benelux countries, up 60%; even from France, where we have no representation, arrivals are up 15%; Germany - 27%; Italy - 24%; and Spain, where we established our representative, arrivals are up 51%. So at the end of February arrivals so far for the year totals almost 68,000 people.

There were some references to information in the Caymanian Compass about a man and a woman. I am not going to quote their names, but reference was made by the Opposition about it... and permanent residence was not given to them by the National Team Government. I want them to put that in their pipes and smoke it too. Their team members are the ones who gave the permanent residence. If the lady cannot find \$3 million she should stay where she is. Do not give her any bail.

The Speaker: Would this be a time where we could take the luncheon suspension, Honourable Member?

Hon. Thomas C. Jefferson: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended until 2.30 p.m.

PROCEEDINGS SUSPENDED AT 12.46 PM

PROCEEDINGS RESUMED AT 2.39 PM

The Speaker: Please be seated.

The Honourable Minister for Tourism, Aviation and Commerce continuing the debate.

Hon. Thomas C. Jefferson: Thank you, Madam Speaker.

Before we took the luncheon break I was quoting statistics on arrivals from the European continents: the Benelux countries, Austria and others. I noticed that the two Opposition Members were making a real joke of it. I tried to respond at the time, but I did not have all of the information. I want to say that what was on Radio Cayman's news this morning is what I am about to read, so it is not in anyway sub judice. It reads: **"A Swiss woman charged with fleeing her country with her husband and millions of dollars after he declared bankruptcy, was denied a lower bail amount in a local court hearing yesterday.**

"Magistrate Peter Jackson rejected the request by Barbara Kruger of Bern, to reduce her bail to \$50,000 from \$3 million.

"The Magistrate had granted Mrs. Krueger bail on March 7th, but several bail requests by her husband, Peter, have been denied.

"The Krugers left Switzerland in 1993 [and this is what the two Opposition Members were laughing about trying to imply perhaps that it was this Government's responsibility] after Mr. Kruger declared personal bankruptcy and creditors claim he owed them \$272 million. Then in August 1993, the Bern Bankruptcy Office charged Mr. Kruger with violation of Swiss bankruptcy law, theft and obtaining property by deception among other

charges. Mrs. Kruger was accused of participating in the bankruptcy law violations I am coming to the crux of it.

"Barbara and Peter Kruger are being held in Northward Prison. They were arrested last month at their home in Cayman Kai. The Krugers who have had permanent residence since 1990 [and repeat: 1990], are said to own a house, condo units, a 38-foot boat and an airplane here in Cayman."

I emphasised 1990 because I think there was insinuation that the arrivals coming from Austria and the Benelux countries were people of this calibre, and that this Government had given the Krugers permanent residence.

I want to say to the two Opposition Members that their colleagues (one in the Democratic Alliance and the other in the Team Cayman) gave permanent residence to them in 1990.

POINT OF ORDER (Misleading)

Mr. Gilbert A. McLean: Madam Speaker, on a point of order.

The Speaker: May I hear the point of order, Honourable Member?

Mr. Gilbert A. McLean: The Honourable Minister is absolutely misleading the House by saying that any colleague of mine in Team Cayman gave permanent residence to anyone from Switzerland or Austria since no member of that team was on the Protection Board - and it is the Protection Board or Immigration Board which grants such status or residence. I am associated with no such person.

The Speaker: Honourable Minister.

Hon. Thomas C. Jefferson: It is no secret in Cayman that all of the people on the Immigration Board are appointed by the Government of the day, and appeals from that Board go to the Executive Council. So what is the Member talking about? Does he not want us to name Ezzard Miller or Linford Pierson?

The Speaker: Honourable Minister, I am not certain if anybody knows if the application by these persons had to be appealed. You are mentioning an appeal now. If a board had been appointed, I am sure that the members of the board dealt with the applications as they came before them. I doubt if a member of any Government could be said to have given membership or status to a particular group of people.

I would prefer that innuendos not be made in the future about other Members without some valid grounds and further information. I think we should get away from that and proceed with the business under discussion, which is the Throne Speech by His Excellency the Governor.

Hon. Thomas C. Jefferson: Madam Speaker, the point I was making is that it happened under their watch. But I bow to your ruling and will move on. These things sting pretty hard.

Before I leave the subject of Tourism, I want to ask the Second Elected Member for Cayman Brac and Little Cayman (who has now declared his candidacy for Bodden Town) to tell the House where we can find these \$25 hotel rooms that three and four persons occupy which he referred to in his contribution.

I notice he is not jumping to his feet. Perhaps there is no such place. Certainly, I need to be educated if there is such a place. I know of none.

One Member asked me to explain a certain portion of the Throne Speech under the Ministry for Tourism, Aviation

and Commerce. That short paragraph read: **“In 1996 cabanas and rest room facilities will be constructed at the public beach in West Bay for the benefit of the public.”**

I think he rightly thought that public beach rest room facilities and cabanas are already on the Seven Mile Beach public beach. What I am referring to is a public beach where a parcel of land just before the junction of Northwest Point Road and Town Hall Road (in other words, just north of the cemetery as we enter the district), was bought in 1993 to be developed as a public beach for the people who live within the district of West Bay.

We have since bought another parcel of land around the corner as you drive onto Northwest Point Road at the same junction to provide additional facilities and parking for the residents of the West Bay area. That was what His Excellency the Governor was referring to under the Ministry for Tourism, Aviation and Commerce. We intend to build rest room facilities and cabanas and for this to be another community project as well.

We have followed the very able model developed in Bodden Town by the Honourable Minister for Health and the lady Member for Bodden Town.

I move now to the Botanic Park. We are in the process of receiving the necessary approvals to begin the construction of a proper Visitor's Centre, gift shop, and a cafe. It is important to make the point that it is likely that all of these buildings will not be completed this year.

We will concentrate (like all other Ministries and Departments) on what can be done with the funds provided in the 1996 Budget. We will push to complete the Visitor's Centre and portions of it may have to be used for a gift shop and perhaps a cafe as well.

We also hope to establish the Heritage Garden this year and we have already secured a house in the district of East End which is over 100 years old. I understand it is the home of the late Julius Rankine, and it was donated by Mrs. Evageline Rankine. I wish to publicly thank her and her family for this generous donation. It will form and create in our minds (when it is completely restored later this year) a journey into the past, where we can view the fantastic craftsmanship in woodwork which will teach us about our people who lived during the late 1800s.

It is expected that the floral display garden, lake and reservoir will be constructed as well. I am certain that the people of this country will be proud of the beauty we will create when the floral gardens are completed later this year.

This is part of our vision: To create a Botanic Park where our people will be excited when they view it in all its God-given splendor. A park which can be attractive to visitors, yet wholly in keeping with the Caymanian ambiance and way of life.

Before I leave this subject I would like to offer my thanks to all of the volunteers who now and in the past, and hopefully in the future, have and will give so un-hesitantly of their time and money to make it the success that it is already. I give my special thanks to the staff, and wish to say how impressed I am with Teddy Ebanks from North Side. He is, in my view, one of the cornerstones of the Botanic Park operation. We sent him to Canada for training last year and we hope to continue to assist him in his development. Nothing would please me more than to see him in the not-too-distant future as the manager of the Botanic Park. I believe that accomplishment would bring the park in line with all our visions for it.

I wish to make a few comments on Pedro Castle. The oldest structure in the Cayman Islands, Pedro St. James Castle, the birth place of democracy, is well on its way to being fully restored to its original design. The castle restoration should be complete later this year and the baker-oven struc-

ture has already been constructed. The Steadman Bodden's home has been fully restored and is now operational.

The Visitor's Centre will be constructed and will have a multimedia theatre, a restaurant, a resource centre and a gift shop. Completion of the Visitor's Centre is scheduled for 1997.

It is our present view that the restaurant will be better operated by someone from the private sector and it will, when the time is right, be advertised so that everyone interested will have an opportunity to tender.

The attractiveness of the Cayman Islands will be significantly enhanced by this project; the history, the culture, the politics, the way of life will come very much to the forefront of our minds as we visit and appreciate this magnificent structure in Savannah.

I am proud of the National Team Members who have allowed the dreams and wishes of many Caymanians and residents to come through, and we, God willing, plan to celebrate that completion later this year.

The Government was recently informed that the Caribbean Development Bank had approved a loan for the Pedro Castle project (it is in US dollars - \$5.79 million) and is now moving forward to deal with it. The interest rate is 7.75% and there is a five year grace period and 12 years to pay off the loan. During the grace period only interest will be paid giving the project time to become operationally self-sufficient. I believe that is how the project should be viewed from the inception.

I want to comment briefly on the proposed National Pension Plan. I believe that the Government is moving in the right direction. I know that many employees in many firms around Grand Cayman have not had an increase for some time. I would ask employers to be quite sensitive when they implement this plan. It would be wrong for an employee who has not had an increase in his wages in two or three years to have to take money out of that to put into a pension fund, ending up with less money than he had two or three years ago. I do not think that is the right way to implement it,

I can only use as an example the way the Government actually established its pension fund five or six years ago. The Government gave the civil servants a 4% raise and took it back and put it into a pension fund. It left the civil servant's salary unaffected, but created the fund for that civil servant's future.

I make those few remarks because I believe it is essential to do so at this time. I have heard some complaints from my constituents who actually fall within that category of not having had an increase in wage for a couple of years. I support my colleague, the Minister for Community Development, whole heartedly in his efforts on this particular subject.

I would like to publicly thank members of the Air Transport Licensing Board, the Civil Aviation Board, the

Hotel Licensing Board and the Port Authority, as well as the Chief Fire Officer, the director of Civil Aviation, the Director of the Port, the Director of Tourism, my Permanent Secretary and staff, and the staff of all the departments and statutory authorities for the able and cooperative way in which they serve the public and for the assistance they have given to me in my responsibilities.

I pray that Almighty God continues to bless all of us and the people of the Cayman Islands so that we will continue to make the right decisions so that the future of our children, their children, and future generations will be maintained with the same quality of life and prosperity that we sometimes now take for granted.

As I mentioned when I began the continuation of my debate this morning, it is proposed that we now suspend

Standing Orders to allow the Stock Exchange Bill to be taken. I now leave that action in your capable hands.

Thank you, Madam Speaker.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

SUSPENSION OF STANDING ORDERS 44(1) 49(1) & 53(1)

Hon. George A. McCarthy: In accordance with Standing Order 83, I would like to move the suspension of Standing Orders 44(1), 49(1) and 53(1) to allow for the second reading of a Bill entitled, A Bill for a Law to Establish the Cayman Islands Stock Exchange, The Stock Exchange Authority and for Connected purposes, to be followed by the Committee stage and Report thereon.

The Speaker: The question is that Standing Orders 44(1) through 49(1) and 53(1) under Order 83, be suspended in order for all of the stages, with the exception of the Third Reading, to be dealt with at this time on the Bill to Establish the Cayman Islands Stock Exchange.

The debate on the Throne Speech will continue after the Bill has been reported thereon.

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

AYES.

The Speaker: The Ayes have it.

AGREED. STANDING ORDERS 44(1) 49(1) AND 53(1) SUSPENDED.

The Speaker: We can now proceed to the First Reading.

BILLS

FIRST READING

CAYMAN ISLANDS STOCK EXCHANGE COMPANY BILL, 1996

Clerk: The Cayman Islands Stock Exchange Company Bill, 1996.

The Speaker: The Bill is deemed to have been read a first and set down for Second Reading.

SECOND READING

CAYMAN ISLANDS STOCK EXCHANGE COMPANY BILL, 1996

Clerk: The Cayman Islands Stock Exchange Company Bill, 1996.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Thank you, Madam Speaker.

In moving the Second Reading of this Bill, A Bill for a Law to Establish the Cayman Islands Stock Exchange, the Stock Exchange Authority and for Connected Purposes,

I would like to state that the last 20 years have seen the emergence of the Cayman Islands from a few islands in the Caribbean which used to be tagged 'The Islands that Time Forgot,' to a major international financial centre. This leap from obscurity to international prominence did not happen by accident. As we are aware, it took commitment and foresight of the legislators of the day who were bold enough to listen and work with the early banking and other institutional pioneers in promulgating relevant legislation, and a responsive regulatory infrastructure to create an environment that would be seen as attractive which would continue to appeal to the international financial community in regards to its professionalism and expertise.

We are therefore indebted to such pioneers who initiated, fostered and put in train a legacy of commitment to maintaining the financial infrastructure of these Islands which have now arrived at this point where the introduction of a stock exchange is a timely and fitting addition.

Having now arrived at this strategic juncture, if we are to make our mark in enhancing the attractiveness, and thus secure the viability of our financial industry for future generations, we cannot afford to court complacency by merely talking about our current standing of preeminence in what has become a fiercely competitive global arena of offshore financial services. It is no longer sufficient to point to our political stability, sophisticated professional services and excellent communication, when all of our would-be competitors are claiming the same advantages.

What has always distinguished these islands as an offshore financial centre, in addition to the undoubted strength of our stability, professional calibre and excellent infrastructure, is another unifying and vital factor: that is, the ability to respond to the market place by harnessing the expertise, judgment and experience of industry professionals and Government in true partnership. The Bill to establish the Cayman Islands Stock Exchange is a product of this partnership.

The Cayman Islands is, in fact, one of the few major offshore financial centres which does not have a stock exchange. It is therefore seen as very timely to remedy this situation and position ourselves for the 21st Century. The establishment of an exchange is a significant undertaking and corresponding care is being taken to ensure that what is being created will be attractive to potential users and, as importantly, operate within a proper regulatory regime.

I would like to note that the stock exchange is considered first and foremost an enhancement to the array of services available in the Financial Sector and not primarily a source of direct net revenue to Government in the short-term. It is, however, expected that over the medium and long run licensing and listing fees from the exchange will both fund its operating costs and make a significant contribution to the Treasury. In addition, the revenue-generating potential of this investment in the stock exchange will also accrue to the financial services sector which will have multiplier effects on the economy.

I should also note that the exchanges development plans will address the need to select and train local professionals as far as operations require so that the stock exchange becomes an integral part of the financial services sector and not just a clip-on accessory.

This would equally apply to providing all interested segments of the financial services industry with the informa-

tion necessary to enable full advantage to be taken of the facility and the new opportunities it represents.

I will now turn to the Bill itself. The Bill endows the Cayman Islands Stock Exchange with the sole and exclusive right to operate one or more securities markets in the Cayman Islands with the capacity to deal in securities of all descriptions. However, the initial implementation phase will concentrate on the provision of a listing facility targeted primarily at mutual funds. Our research has indicated that Cayman Islands Mutual Funds are currently listing on other exchanges, and it is hoped to be able to repatriate that business.

It is recognised that the listing function, being the initial commencement phase or point of trading activities, will generate relatively modest activity, but it is seen as a sensible and measured point of entry.

Progression to a full trading exchange including the servicing of domestic needs for capital formation will be the subject of further detail analysis in terms of (1) market characteristics and potential; and (2) additional resource and support requirements for the exchange. It is anticipated that the exchange membership will spearhead this progression to a large extent.

Regarding the structure of the exchange, it will be constituted as an ordinary resident company with all of the shares being held by the stock exchange authority on behalf of the Cayman Islands Government. The authority is a dedicated regulatory body for the exchange and, as such, will not participate in its day-to-day operations. The authority will comprise the Financial Secretary, the Inspector of Financial Services, the Attorney General or his assignee and other public officers appointed by the Governor on the recommendation of the Financial Secretary.

The day-to-day operations of the stock exchange will be managed by a council appointed under the company's Articles of Association which may in turn appoint paid staff necessary to actually run the facility.

Membership of the exchange will be conferred on application to the authority for a licence in four categories. These are: Listing Agent; Broker; Broker/Dealers and Market Maker. It is envisaged that local law firms, accounting firms and financial institutions will apply to be listing agents. Brokers, Broker/Dealers and Market Makers will be admitted from the ranks of those similarly recognised by one of the major exchanges to give an extra level of assurance that Members on the high risk trading side are of the highest calibre.

The structure of the exchange was designed to combine the appropriate degree of regulatory control with significant private sector participation. Indeed, without the council and the exchange membership the exchange will not be able to function successfully and reach its full potential.

When I commented earlier that the primary thrust of the exchange will not be necessarily to focus on the revenue generation that will come about in the short-term, there are indications that the stock exchange will be quite viable from the very beginning. But we are hoping that as we get closer to becoming operational, we will be in a position to look more closely at a firm figure in terms of what that contribution will be to general revenue. Its viability can be established from an indication of the activity in the num-

ber of mutual funds that are now registered in the Cayman Islands.

I think it would be useful to give an historical perspective in terms of what has led to the development of this Bill being brought before the Legislative Assembly today.

As mentioned in this Honourable House on previous occasions, we have the Government Private Sector Consultative Committee. This is a forum whereby the Ministers and Members of Government are able to dialogue with the various members of the private sector. These are persons who are holding key positions, such as presidents of the various associations and persons who are established within the community, who are on the stock exchange and are called core members. This is an ongoing committee where ideas that can enhance the financial industry in looking at other aspects of Governmental operation, and also putting ideas across for further considerations are normally put forward during these committee meetings.

I will just read from the operating document: "**The stock exchange subcommittee was formed** [and this is a sub-committee of the Government Private Sector Consultative Committee] **in August 1994 to consider the feasibility of a Cayman Islands stock exchange. As a result of this committee's positive findings the Financial Secretary sought to obtain approval from Executive Council in November 1994 to pursue the establishment of a Cayman Islands stock exchange. The subcommittee identified the project background and objectives as follows:- Project Background: There are currently no stock exchanges or other investment exchanges in the Cayman Islands. Indeed, the Cayman Islands is one of the only major financial centres which does not offer these facilities.**"

When we consider the volume of financial activities that is taking place in the Cayman Islands on a daily basis, and when we look at the extent of our financial industry and consider that we have over 900 mutual funds at this time registered in the Cayman Islands, to have these registered here as Cayman Islands funds and to not have a stock exchange on which they can be listed, suggests that this is an essential facility which must be put in place.

Offshore financial investment activity has largely consisted of privately placed debt and equity transactions between sophisticated investors who do not require high levels of regulation or an access to liquid market in the relevant investments beyond that already provided for under the terms of the issue.

What we are saying here is that the credibility of the funds being registered in Cayman (which are primarily being registered by institutional investors) has long been established within the international financial community. Therefore, starting out with a listing function will be minimising the risk, as such, because rather than going to a full-blown stock exchange operation that would require expertise over and beyond what will be available at the inception...this is what we are guarding against. Therefore we are minimising the risk by taking this very cautious approach.

The document goes on to say: "**A number of interrelated factors have converged to create the momentum for the establishment of a stock exchange, namely, evidence that Cayman Islands exempt offshore companies requiring access to a listing of both debt and equity securities have listed in other countries.**" The

document names these countries, but I will avoid doing so because I do not think it would be the proper thing to do.

“The emerging risk of other jurisdictions with stock exchanges denying access to the Cayman Islands registered offshore companies, thereby putting the Cayman Islands financial services sector at a strategic disadvantage.”

We know that today we have quite a number of countries in the region (especially within the last five years), and elsewhere within the European Community, that have been looking very closely at what we have been doing in the Cayman Islands. Although we have been in the business of offshore financial services for quite a considerable length of time (and when we consider the volume of transactions that take place here on an ongoing basis) we are surprised that quite a number of countries have financial industries not as well regulated as the Cayman Islands, as suggested by the volume of mishaps occurring within their various communities. We have found that they take pot shots at us from time to time.

What we need to do is put ourselves in a position where no one can create a difficult situation for us making the Cayman Islands less attractive by not allowing our mutual funds or other structured vehicles to be registered on a stock exchange. This has not happened as yet, but we do know that jealousy is real.

“The strong probability that developments in the global capital market will generate an increasing demand for stock exchanges based in off-shore tax free jurisdictions.”

The seminars that have been conducted in the Cayman Islands, including the Banker's Association Biannual Conference held here in November 1995, quite a number of the persons who spoke to me and other persons, suggested that we really needed to have a stock exchange facility in place. From all indications, in terms of these discussions, there is a real expectation that this facility is needed and should be in place and pursued without delay.

“The overriding imperative for the Cayman Islands to remain competitive in an extremely competitive industry in which Cayman could stand to lose business which it would otherwise attract if it provided a listing facility.”

If we have gotten to the juncture where we recognise this very important need (and we have been bold in the past, and very innovative while being cautious), given the level of competition that we are faced with in the international financial community, and do nothing about it, I think we would be courting complacency.

“The increasing trend for institutions to necessarily invest in exchange listed debt and equity securities because of domestic regulations or internal investment requirements.”

This is another fact or feature that suggests that there is a need to give consideration to the establishment of a stock exchange.

“Project Objectives: The primary objective as identified by the Committee - To enhance the global competitiveness of the off-shore financial services sector of the Cayman Islands through the phased establishment of a stock exchange, with the first phase being the establishment of a primary listing exchange. The secondary objective is to provide a facility for the

domestic financial market. The degree of gearing to this will depend upon demand and the ability to effectively progress from a listing to a full trading facility.

“. . . firm of attorneys (namely, W. S. Walker and Company) recently targeted major law firms and financial institutions in New York, Boston, Washington, Tokyo, London and Hong Kong, indicates that a Cayman Islands stock exchange has the potential for success providing that it has clear precise listing procedures; is flexible enough to handle companies from many jurisdictions and is able to distinguish itself from its main Competitors.”

There are certain countries named, and this section goes on to say that we should distinguish ourselves by being more cost effective and that the listing procedures should be less time consuming.

It then goes on to say: **“Regarding item 3 above [which is the last paragraph I quoted] this would mean positioning ourselves vis a vis existing average listing costs of \$4,000; annual maintenance fee of \$2,000; and processing time of four to six weeks.”**

When it is suggested that a listing cost of \$4,000 could be charged for the up-front registration, with an annual maintenance fee of \$2,000, given the numbers I mentioned earlier, by extrapolation, it would suggest that this would constitute a fair amount of revenue to the Government.

All of these factors are being taken into account in the planning for the stock exchange. This paper is as a result of further deliberations of the Committee on the form the stock exchange should take, as principally expressed in the proposed enabling bill which Members of this House have had the opportunity to peruse by now.

Under Key Issues and Types of Listing to Admit, the stock exchange will allow for a listing and trading facility for the following: Equity Securities in Cayman Islands' established companies, limited partnerships and mutual funds, debt securities of Cayman Islands' companies, securities of Cayman Islands' incorporated companies undertaking business inside and outside the islands; commodities and derivatives.

The Committee further goes on to say: **“It is strongly recommended that at the outset only the lowest risk categories be admitted, namely, (1) and (2), consistent with the intention to commence with a listing function. The other two categories, (3) and (4), represent a significant greater regulatory burden and the risk of share holder funds being lost is also greater.”**

Exchange ownership: Under this, the comments are: **“The enabling bill constitutes the Cayman Islands stock exchange as an ordinary resident company of which Government is the sole share holder. It is important to understand that in this context ownership equates regulatory control in much the same way as the Financial Services Supervision Department can be said to own the financial services sector. Thus the authority is a dedicated regulator for the exchange setting the operating environment and allowing the council and the exchange members to give shape to the exchange as the market dictates within that environment. It is considered imperative that the stock exchange be owned by the Government to enable the appropriate degree of control to be exercised over the facility, both**

as to what types of listing to permit, and who are admitted as exchange members [under the four membership categories mentioned earlier].”

The reputation of the Cayman Islands is fundamental to its integrity and must be protected at all times. One unfavourable event emanating from the stock exchange would be sufficient to derail the entire financial services sector from which there would be difficulty in obtaining or getting back to a point of recovery. That is why we have decided to be very cautious and to go with instruments being registered now on established and recognised exchanges being registered by mutual funds managers in Cayman who have demonstrated the competence, capability and expertise to develop the necessary documentation, examine the structure, so that these instruments can be listed without difficulty. It is that same expertise that will be brought to bear when starting off the listing functions of the Cayman Islands stock exchange.

“Operating Rules: In addition to the enabling legislation, rules regarding the operation and management of the exchange will be needed, as well as listing rules for the admission of securities. Both of these are currently being drafted, based upon Luxemburg and the London Rules for review by the sub-committee. Once the rules are finalised, approaches will be made to the International Federation of Stock Exchange or other appropriate body for official international recognition or to the international organisation of securities commission.”

This should indicate to Members of this Honourable House that the Bill under consideration has been very much involved and it has consumed quite a considerable amount of time on the part of the Government in its deliberations with the sub-committee that continues to maintain its existence for reviewing the rules. It will be an ongoing committee. We do believe that once the listing activities start that it will not be the end, that we will in time be gearing up to move in the direction of becoming a full-blown trading facility.

As I said, we have to weigh the risks in tandem with the emerging expertise that will be developing. At the end of the day it is much better for us to take five, six or seven years ensuring that what we have in place is workable, has the respect of the international financial community and the confidence of the local financial industry and the Government, than to rush ahead for the sake of generating massive amounts of revenue.

This will be done. At the end of the day we will have achieved all of this. But I think we must do so on the side of caution.

As I said earlier, the Cayman Islands stock exchange function will be geared towards mutual funds, a segment of our financial services sector in which we are excelling internationally. It will be very beneficial to be able to market Cayman as a ‘one-stop shop’ for these funds.

The trading function is more complex and carries a higher risk, so what we allow to be traded will be the subject of careful policy consideration. At the moment, the likely initial categories appear to be: equity securities in Cayman Islands companies; limited partnerships and mutual funds and debt securities of Cayman Islands companies and perhaps blue chip securities of foreign companies currently

traded on a major exchange. These categories may be expanded as prudence dictates.

Interestingly enough, I visited another major offshore financial service centre. This was shortly after I was appointed as Financial Secretary in 1992. The plan on the drawing board of that centre at the time was to become a ‘one-stop shop’ for the various range of financial services that were being offered. At that time, they had a stock exchange in place, but I do not think that it was operating at the level that it has since been operating within the past two years.

We know that the administration of that country has been looking closely at what we have been doing in these islands. From time to time, I have had representatives of the various banks come into my office to talk with persons from other institutions within our financial industry in an attempt to get a lead in terms of getting a basis of comparison for what obtains in their jurisdiction as against what we are doing in the Cayman stands. We have since learned that while it is useful to share information, there is a need for us to be guarded. This is why we are taking this approach in bringing this Bill to the Legislative Assembly.

We initially thought that we could become operational by the 1st of May, but I am taking a conservative approach that while we could probably achieve this, I think for myself and the Government to have the confidence in the operation of the stock exchange, we are hoping that the doors will be opened by the 1st of August or the 1st of September. We need to have our infrastructure in place, we need to have our computing equipment and our regulatory staff, we need to have persons who are trained and who understand the documents being presented and not have these documents being shuffled or put in someone’s drawer because they do not understand the complexity of the issues.

At the same time we need to look at a staffing structure which will enable us to identify the group of Caymanians who will be trained. Initially, we know we will have to bring in expertise from the outside, but we are hoping to run a training programme in tandem with the expertise being brought in. In time we will have a financial service regulatory body staffed by Caymanians.

This Bill before the House should therefore be viewed as the enabling legislation under which the authority, in cooperation with the Exchange Council is responsible for developing the actual operating rules for the exchange. Only when all these rules are in place, will trading of securities through the Cayman Islands Stock Exchange be allowed to commence. Once these rules are completed, it is intended to submit them to the International Federation of Stock Exchange and the International Organisation of Securities Commissions to gain official international recognition for the Cayman Islands Stock Exchange.

As I trust will be gleaned, this Bill is timely, proactive and strategically necessary. I commend it to this Honourable House.

In presenting this Bill, I want to make special mention of Miss Deborah Drummond who has been the secretary to the sub-committee of the Government Private Sector Consultative Committee. One cannot imagine the amount of work that this lady has done in terms of researching the rules and legislation from various jurisdictions and talking with various attorneys. There are quite a number of local

firms and persons who have assisted the Government in bringing this Bill to this honourable House today.

I would like to thank you, Madam Speaker.

The Speaker: The question before the House is the Second Reading of the Cayman Islands Stock Exchange Company Bill, 1996.

Before anyone begins the debate, proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 3.41 PM

PROCEEDINGS RESUMED AT 4.00 PM

The Speaker: Please be seated.

The Second Elected Member for George Town.

Dr. Stephenson. A. Tomlinson: Madam Speaker, thank you.

I rise to support the Cayman Islands Stock Exchange Bill. I said in my contribution to the Throne Speech that I believed this was creative and that I knew it was a step in the right direction and that it would enhance our financial centre. Most financial centres throughout the world have a stock exchange and this will only enhance our financial centre as an international financial centre.

The stock exchange will be well run from what the Financial Secretary has outlined. I am confident that it will be well run and I agree entirely that it should be operated by Government since the reputation of these islands are at stake. There are some individuals who have expressed the view that it should be privately operated, but I do believe that it should be run by Government with an authority in charge and a council operating the authority.

My main concern about the authority is to make sure that Government has in place ways and means to ensure that it gets proper returns from the authority. I have no doubt that a lot of money will come in and there will be a lot of trading of securities. As Mutual Fund legislation proved to be very successful, I am sure this will prove to be successful as well and that it will be active and the stock exchange will see great interest worldwide.

I noticed that the stamp duty will not apply as in section 15(1): The provision of the Stamp Duty Law shall not apply to any instrument which relates to the issue or transfer of security.... I am asking the Honourable Financial Secretary to outline in his reply exactly how Government will be making money from the stock exchange, so that not only some of us, but the entire country, will understand how the Government will in fact make money from the stock exchange.

As I have pointed out, it will be necessary for the Government to amass monies from the stock exchange. I do not want to appear greedy, but I believe it is important not to just have the glucometer, but also the various strips that go with it. This is not a case where we are going to get fees just from companies registration etcetera. We want to make sure that perhaps there are trading fees in place, transactions fees, whatever, but the Government must ensure that in some way it is going to benefit from having a stock exchange in the island and not find itself just breaking even.

I think that, having said that, I wish the Cayman Islands Stock Exchange every good wish and I know it is going to be a success. I look forward to the Honourable Third Official Member's reply.

Thank you.

The Speaker: If no other Member wishes to continue the debate, I would ask the mover if he would exercise his right of reply. The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, I would like to thank Honourable Members for their support of this Bill.

The Second Elected Member for George Town, I would like to thank him especially for his comments and for wishing the Government well in the establishment of the stock exchange.

He asked if I would outline how the Government will generate revenue from the stock exchange. Firstly, there will be a fee for the listing of instruments (for example, mutual funds) on the stock exchange.

I mentioned in the presentation that there were suggested levels that could be charged for the initial listing. One company from its research gleaned that the figure as suggested by the international community averaged in the region of \$4,000 per entity. It was also suggested that there could be an annual maintenance fee that would equate to 50% of the \$4,000 (\$2,000).

Given the volume of Mutual Funds companies that we have formed in the Cayman Islands, that would translate into a significant amount of revenue. Where I differ slightly is that while I recognise that Government must look at revenue, because of the importance of the stock exchange and the likely risks associated with focusing only on the revenue aspect of it, I think we need to take our time and make sure that we develop the expertise and competence to closely vet the instruments that will be put forward for registration. It is much better for us to aim for quality rather than quantity.

For example, we may have investors who are having difficulty in getting, let us say, structured financing arrangements, who are registered on other stock exchanges, and they see the Cayman Islands as new and assume that there is a level of vulnerability. Given the fact that the regulators here would just be going through the learning-curve process (in terms of scrutinising the documentations) and looking closely at asset structures (in terms of Mutual Funds vehicles), there is the potential for one or two to slip through which would otherwise not have been allowed to go through.

So it is much better for us to go with those instruments that are presently passing through the Cayman Islands for a registration and going on to other jurisdictions (such as Luxembourg and Dublin) to be registered.

As I mentioned the one-stop shop' arrangement, the Cayman Islands Stock Exchange would allow for these entities to be registered and for their registration to be recognised. So at the onset, although the stock exchange will have the capacity to generate revenue, the revenue-generating aspect of it will not be the primary focus. We are hoping that in the medium to long-term this will be a significant factor to consider, but most, and more, importantly, is the fact that emphasis should be placed on operating a stock exchange of the highest quality so that whenever we

are scrutinised by other bodies we are seeking to affiliate with, and also when we are being looked at by other Governments who have had the tendency to direct criticisms at us because of our success in the past, we can be seen as operating a very sound regulatory regime.

Interestingly enough, shortly after the airing of a documentary 'Dirty Money,' back in 1994, there was a major securities company that set up office here in Cayman. The Vice-president came down for the opening and I asked him if he is aware of the documentary and he replied "Yes."

I said, "It is interesting to see a company of your stature coming to the Cayman Islands in light of all the things being purported to be taking place here."

He said, "I will tell you something, those things are only being given credence by the uninformed community. Before we took the decision to come to the Cayman Islands, we carried out our research and looked at all the other off-shore financial centres and the Cayman Islands was the only jurisdiction conducive to our operations."

Their operation is of the highest quality, it is not a question that they were looking for an area that would condone risks, but from their research they would have examined very closely the structure of our Governmental processes. They would have looked very closely at our regulatory regime, they would have looked at the regulatory environment, they would have looked at the expertise of the operators within our financial industry, they would have looked at our physical infrastructure; and all of these, when combined, suggested that the company should move here.

Therefore, the other companies that are here are not here by default. If they take time to carry out their research to ensure that they are coming to an environment that will allow for their asset base to be protected, it is incumbent on the Government that, whatever initiatives are pursued or new ventures entered into, they should be carried out with an equal amount of caution.

In the end we know that we are successful today, and we have to be thankful to God for our success, but we have to employ the highest level of prudence and to make sure that what we have is an environment that we continue to strive and make efforts to improve upon.

Thank you, Madam Speaker.

The Speaker: The question is that a Bill entitled, The Cayman Islands Stock Exchange Company Bill, 1996, be given a Second Reading. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given a Second Reading.

AGREED. THE CAYMAN ISLANDS STOCK EXCHANGE COMPANY BILL, 1996, GIVEN A SECOND READING.

The Speaker: The House will now go into Committee to consider the Bill.

HOUSE IN COMMITTEE AT 4.14 PM

The Chairman: I think that perhaps I should bring to the attention of all persons who come to the Legislative As-

sembly, that it is customary to rise when the Speaker rises, irrespective of their position.

The House is now in Committee and the Bill to be considered is the Cayman Islands Stock Exchange Bill, 1996.

COMMITTEE ON BILL

CAYMAN ISLANDS STOCK EXCHANGE COMPANY BILL, 1996

Clerk: Clause 1. Short title and commencement.
Clause 2. Interpretation.

The Chairman: The question is that clauses 1 and 2 do stand part of the Bill. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED. CLAUSES 1 AND 2 PASSED.

Clerk: Clause 3. Stock Exchange Authority.
Clause 4. The Exchange.
Clause 5. Capital of the Exchange.
Clause 6. Purposes of the Exchange.
Clause 7. Additional powers of the Exchange.
Clause 8. Articles of Association of the Exchange.
Clause 9. The Council of the Exchange.

The Chairman: The question is that clauses 3 through 9 do stand part of the Bill. The question is open for debate.

SUSPENSION OF STANDING ORDER 52(2) (Amendments)

Hon. George A. McCarthy: Madam Chairman, there are certain paragraphs containing certain discrepancies that will need to be amended.

In accordance with Standing Order 83, I would like to move Standing Order 52(2) to allow for these amendments to be presented.

The Chairman: I shall put the question that these amendments now be made. Those in favour please say Aye.. Those against No.

AYES.

The Chairman: The Ayes have it. Standing Orders are suspended.

AGREED. STANDING ORDER 52(2) SUSPENDED.

The Chairman: Do you have copies for Members, or are they such minor alterations that we do not require copies?

Hon. George A. McCarthy: They are minor, Madam Chairman. Under normal circumstances copies would be available, but these were brought to my attention during the course of this afternoon.

The Chairman: Would you please go through them one by one?

Hon. George A. McCarthy: Madam Chairman, I am going to ask the assistance of the Honourable Attorney General who listed these corrections, with your approval.

The Chairman: The Honourable Second Official Member.

Hon. Richard H. Coles: Thank you, Madam Chairman.
The first amendment is to section 5(3) in the second line and entails the deletion of the word "stock."

The Chairman: The question now is that the word "stock" be deleted from subclause (3) of clause 5. If there is no debate, I shall put the question. Those in favour please say Aye... Those against No.

AYES.

The Chairman: The Ayes have it. Clause 5(3) is amended.

AGREED. CLAUSE 5(3) AMENDED.

The Chairman: The question now is that clauses 3 through 9 with subclause (3) as amended do stand part of the Bill. I shall put the question. Those in favour please say Aye... Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED. CLAUSES 3 THROUGH 9 PASSED.

Clerk: Clause 10. General powers of the Council.
Clause 11. Rules of the Exchange.
Clause 12. Approval of Articles and rules by the Authority.
Clause 13. Register of trading members.
Clause 14. Accounts of the Council, etc.

The Chairman: The question is that clauses 10 through 14 do stand part of the Bill. The question is open for debate.
I shall put the question. Those in favour please say Aye... Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED. CLAUSES 10 THROUGH 14 PASSED.

Clerk: Clause 15. Exemption from various statutory provisions.
Clause 16. Companies not deemed to be engaged in or carrying on a trade or business.
Clause 17. Suspension of trading.
Clause 18. Conflict between laws.
Clause 19. Exemption from Civil liability and indemnity.

The Chairman: The question is that clauses 15 through 19 do stand part of the Bill. The Second Official Member.

Hon. Richard H. Coles: Madam Chairman, there is an amendment to section 19(2) in the first line to insert after the word 'shall,' 'upon his appointment'. So it will read:
An Exchange member *shall upon his appointment* indemnify the Government...."

The Chairman: The question is that clause 19(2) be amended by inserting the words 'upon his appointment,' after the word 'shall'.

The amended subclause will now read: "(2) An Exchange member shall upon his appointment indemnify the Government against any liability, action, claim or demand whatsoever in respect of any act or omission under this Law by such Exchange member when acting in that capacity."

The motion is open for debate.

If there is no debate I shall put the question that the amendment be made to subclause (2) of clause 19. Those in favour please say Aye... Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED. CLAUSE 19(2) AMENDED

The Chairman: The question now is that clauses 15 through 19 do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED. CLAUSES 15 THROUGH 19 PASSED.

Clerk: A Bill for a Law to Establish the Cayman Islands Stock Exchange, the Stock Exchange Authority and for Connected Purposes.

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

AYES.

The Chairman: The Ayes have it.

AGREED. THE TITLE PASSED.

The Chairman: The question is that the Bill do now be reported to the House. I shall put the question. Those in favour please say Aye... Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED. THE BILL TO BE REPORTED TO THE HOUSE.

HOUSE RESUMED AT 4.23 PM

The Speaker: Please be seated.
The House is resumed.
Reports. The Honourable Third Official Member.

REPORT ON BILL**CAYMAN ISLANDS STOCK EXCHANGE COMPANY
BILL, 1996**

Hon. George A. McCarthy: Madam Speaker, I have to report that a Bill entitled, A Bill for a Law to Establish the Cayman Islands Stock Exchange, the Stock Exchange Authority and for connected purposes was considered by a Committee of the whole House and passed with certain amendments.

The Speaker: The Bill is accordingly set down for Third Reading.

We have just seven minutes left, and I think we should have the adjournment and tomorrow we will continue the debate on the Throne Speech.

Honourable Minister for Agriculture, Environment, Communications and Works.

ADJOURNMENT

Hon. John B. McLean: Madam Speaker, I move the adjournment of this Honourable House until 10 o'clock tomorrow morning.

The Speaker: The question is that the House do now adjourn until tomorrow morning at 10 o'clock.

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

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until tomorrow morning at 10 o'clock.

**AT 4.24 PM THE HOUSE STOOD ADJOURNED UNTIL
10.00 AM FRIDAY, 15TH MARCH, 1996.**

**EDITED
FRIDAY
15TH MARCH, 1996
10.11 AM**

The Speaker: I will ask the Fourth Elected Member for George Town to say prayers.

PRAYERS

Mr. D. Kurt Tibbetts: Let us Pray.

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

Bless our Sovereign Lady Queen Elizabeth II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated. Proceedings are resumed.

APOLOGIES

The Speaker: I have an apology from The Honourable Minister responsible for Tourism, Aviation and Commerce for his absence at this morning's sitting.

Government Business, continuation of the Debate on the Throne Speech. The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

GOVERNMENT BUSINESS

DEBATE ON THE THRONE SPEECH DELIVERED BY HIS EXCELLENCY MR. JOHN W. OWEN, MBE, GOVERNOR OF THE CAYMAN ISLANDS, ON FRIDAY, 16TH FEBRUARY, 1996

(Continuation of debate thereon)

Hon. John B. McLean: Thank you, Madam Speaker.

First of all, I would like to thank Almighty God for the great opportunity to address this nation on another Throne Speech. I have had many opportunities to do this, this year being my 20th year, but each time I do so with great pride.

Let me also join other Members in congratulating His Excellency the Governor on his first Throne Speech in this Legislative Assembly. It goes without saying that it is a document which has far-reaching effects on this country and it paints a picture of exactly the way it is.

Let me say that I am proud to be a part of the National Team Government. This Government has done many good things for our country and for our people since taking office in 1992. If I may say so, it has all been because of team work, although many times (if we were not strong men and women) we would have packed it up and gone home, because right in this honourable House we have been called everything except gentlemen and ladies by a small Opposition. But we have the strength; we have brought this country from a depression to where we can be proud of it today. We are going to continue to run this country on the same course.

We made it abundantly clear in our Manifesto that our policy was to pull the economy out of its recession and to start repaying Government debts to strengthen and build up the economy of this country. Let me say, contrary to all of the rhetoric we hear from the Opposition in this House and on the outside, that the honest, truthful business people of this country will tell you we have advanced and brought this country back to its sanity.

At this point I would like to issue a warning: While we have it good, and the Cayman Islands can be considered the pearl of the Caribbean—and I stand by those words, the pearl of the Caribbean . . . because as we look at neighbouring islands we can see what this sort of Opposition and tearing down of a country has done. This country has a majority of sensible people. They know exactly what is right for this country and, while they remain silent at this point in time, the day of reckoning is in November. The people of this country are well aware that this Government has helped them to carry on their businesses, helped them to keep their children in school, to keep food in their homes. They know exactly who was a part of this Government when it started, they know who today remains a part of this Government and they know the reason why we have had backsliders. I honestly believe that was one of the best things that could have ever happened, and it happened in the early days when we could continue with the work that we needed to carry out in this country.

This Government has handled itself well. We have had many unexpected crises dropped upon us. Let us take the Cuban situation in this country. We were not expecting that. God knows we were not. But we faced it well. Contrary to all of the stupid opposition that we received on that (that Government was doing nothing), let me say that we could do no more than what we were doing. We realised that those who said fix their boats and send them back were radical in their idea. We realised that there was more to it than that,

we are subject to certain Conventions as long as we are part of the United Kingdom - and God help us the day we are not! Regardless of whether we like it or not, that has been our success story thus far. I know there are some who do not like to hear that in here, but I do not think the country will ever give them a chance to change that.

The Governor said: "**The responsibilities of success do not only rest on the shoulders of government.**" That is correct. True words. Regardless of whether the Opposition in this House believes that they are a part of us or not, these words should remain in their minds. All that they are doing is not good for this country. When you take to a platform and try to rile people up on every issue.... That cannot lead to good for the country. As representatives of the people we should become united and try to fight the cause and put it right instead of lambasting the Government on these occasions.

Mr. Roy Bodden: You would want a one party state.

Hon. John B. McLean: That is what you would like, of course.

The Speaker: Honourable Minister, please do not...

Hon. John B. McLean: Thank you, Madam Speaker.

I am the last one who would like a one party state. But I would like an Opposition that does not oppose just for the sake of opposition, as do the First Elected Member for Bodden Town and his colleague. That is not sensible Opposition, if that is what he wants to hear. I am not talking about a one party state. Maybe that is fresh in his mind, but not in mine.

The people of this country are a proud people. We have a lot to be proud of. What we have today did not come by flight. It came because of the men and women of old. At this point I would like to pay tribute to persons such as the late Capt. Keith Tibbetts, Miss Annie Huldah Bodden, Mr. G. Haig Bodden, the late Mr. Jim Bodden, Mr. Burkely Bush, and the names go on and on. We continue to build upon the foundations they started, let us not forget that. We must remember that a foundation can be strong, but it can also be destroyed. It is for us to safeguard.

I would like to move on to address certain areas of the Throne Speech. The Governor addressed the problems of the Judiciary and the space needed for the courts to operate properly. Let me say that the Government is quite aware of this. We are working toward expanding that space. The courts must continue to operate in a fashion so that this country can remain proud of it. The standards must remain high. In order for this to happen, one of the things necessary is proper space.

I watch the movements of judges and lawyers almost on a daily basis from one side of the road here in front of the Legislative Assembly Building to the other side, moving from the Court House to the Town Hall. As far as I am concerned, that is not a good arrangement. We are presently looking at adequate space close to the Court House. Furthermore, we must realise that we are no longer living in the days of long ago. We have radicals in the world today. We cannot allow ourselves to be open to this sort of thing.

Judges have to rule on cases and then they have to walk across the street and go over to the Court House. As

far as I am concerned, the lives of those individuals are not safe operating in such a fashion. I think it is very important for us as a Government to act as quickly as possible, which we are doing, to correct the problem.

May I pay tribute, at this point, to the Civil Service of these islands? As far as I am concerned, we have an outstanding Civil Service in the Cayman Islands. As in any organisation, we have those persons who do not come up to par. But that is beside the point. We have many, many dedicated civil servants who continue to assist the Government. We must be realistic about this. No Government can succeed unless the civil servant is there to administer the policy.

I am proud of the departments which fall under my Ministry. I have tried in every way for the years that I have been in charge, to work closely with not only those under my Ministry, but throughout the Civil Service. I give the assurance that this is what I will continue to do. I beg for others to realise that they are only human beings and that we can only expect so much. We must also remember that it goes both ways. They work along with us, and we must be willing to work along with them.

I would like to touch briefly on the Police. I would like to congratulate the new Commissioner of Police, Mr. Grey. It is my opinion that he has started off on the right track. I think he is doing all in his power to brighten our police force. The one thing that I admire about him is that he seems to be someone whom the officers throughout the ranks are able to talk with at any time. I also pay great respect to the Drug Department.

I think we have a strong force there. We must continue to offer whatever assistance is needed to the police force. I have said many times that it is our only means of protection. We are unlike other islands with a stronger force to rely on. We need to keep the police department aware of our support, not only by Government, but by everyone in this country. We can speak about crime, we can speak about drugs, but the police cannot do it on their own.

I would like to thank the Commissioner of Police for trying to strengthen the police presence in my district. I am very pleased with Sgt. Wood who is in charge there. I think he has now gotten the respect of the people out there. He is working as hard as he can to correct the problems he has come up against. I give him assurance that I am prepared to work along with him for the betterment of my district.

With regard to the Prison, I will only say that it was good to see the prisoners come out and assist us in preparing for the Annual Agricultural Show. Often we think of prisoners as being locked up in Northward. I would be the last one to say that if somebody commits a crime he should not be punished, but I believe that in bringing our prisoners out and allowing them to work on occasions such as I just mentioned, or even allowing them to work on the sides of the road, does that calibre of person more good than harm. I would only say to the Member responsible for the Prison to continue to do this.

We must work along with these individuals to ensure that once they are back in society they can take their rightful place. Again, I would like to say thank you very much to the Director of Prisons for the assistance which they gave to us.

It was very enlightening to walk around and see the many things that are now done at the prison - the woodwork, the ceramics, the handicraft - all exceptionally top class. I

think that it is only right that the public know this because for whatever reason a large portion of the public believes that prisoners are locked up at Northward doing nothing but spending taxpayers' dollars. It is much different from that. I support what they are doing in there.

A previous speaker spoke on ground transportation and the problem with omni buses and taxis. Indeed, this is a national problem. We have been working steadfastly to try to come to grips with this. Unfortunately, all of the regulations which fall under the Traffic Law, 1991, have not been fully drafted. Therefore, many portions of the law cannot be enforced.

At this sitting it is my intention to lay on the Table two regulations which cover ticketing and the use of radar guns under the new law. It is my hope that by the next sitting of this honourable House we will have other regulations in place so that we can get on our way in trying to come to grips with the problems that exist. I believe that with these regulations in place and with the new law (although there will have to be a few amendments to the law) we will see some sort of sanity brought back.

The Drafting Department has been under a lot of strain. It is my understanding from the Second Official Member that the staff there has been strengthened, and no doubt they are working continuously to come up-to-date with the regulations which are behind.

I turn to District Administration. During Budget Time this Government tried its best to share funds amongst the various districts as best it could. We did not forget the Sister Islands. All of us would have liked to have offered more to each district, but we could only share what was there to be shared. The fact remains that we are aware that the needs of Cayman Brac and Little Cayman will have to be met. We will continue to do what we can to assist those islands.

Again, we have heard many remarks concerning the Brac and Little Cayman. It is a known fact that the Government is steadfastly working, trying to do things for the Brac. I think it was the Minister for Tourism who spoke about trying to put an added attraction on the Brac. The Government was lambasted for that, yet we are told that we must do something. To always be negative, never giving an alternative is not good. I have no problem working with someone who has the interests of those islands at heart. I have done so in the past and I give the assurance that I will continue to do so.

The Minister for Tourism and I will be working quite closely on the project which he spoke about here a few days ago. We know that while there are those who are kicking us around for it, we still have people who think a lot about Cayman Brac and Little Cayman who are willing to work along with us to make the project become a reality. I believe that it will be an added attraction. I believe it will be a new selling point for Cayman Brac, as far as tourists are concerned, as well as the locals. A large portion of our people are also interested in diving.

I turn to the Cayman Islands Government Office in the United Kingdom. Many years ago, when the Government took the stand that we were going to hire Mr. Thomas Russell to be Government's representative in London, the negative people said it was a waste of Government's funds. Today, if we tell the truth we will say that was one of the best things the Government could have done because it has saved (and will continue to save) this country hundreds of

thousands of dollars by having a gentleman like Mr. Thomas Russell there. Long may he live!

Recruitment for the Civil Service is a good example. Before, probably half a dozen people would fly from Grand Cayman to London to recruit. With a knowledgeable person like Mr. Russell on the spot, along with his able staff, we can depend upon his expertise to ensure that we recruit the calibre of persons which we need in this country. I pay tribute to that gentleman. I had the opportunity to work with him inside of and outside of this House. I offer praise where I know it should be.

With regard to the upcoming election: When I reflect upon my entering the political arena 20 years ago, and then compare it to today, it is a whole new ball game. For whatever reason, we have moved right on to the American way of campaigning. The place is littered with stickers; cars are littered with them; if that is progress, then that is what we are into.

The only thing I will say on what is facing us is that we Caymanians trying to get a seat in our respective districts should endeavour to do it in an orderly and smooth fashion. Gutter politics will do this country no good. We have already seen it in certain areas of campaigning. We have heard numerous remarks concerning the by-election in Bodden Town. We do not need this in the Cayman Islands. We need persons who will go to their electorate and say, 'This is what I stand for', and 'this is what I will do if elected', and 'this is what I have done during my time as an Elected Member', not digging up each other's personal life and digging into family life. I do not think that does this country any good. To hear nasty remarks about this one giving paint, and this one giving dollars... Madam Speaker, I do not think that anyone is stooping to that. I would have to see that with my own eyes. But nasty propaganda will get us no place.

I tell the electorate of this country to bear this in mind. I urge each and every one to exercise their right to vote, it is their right and I urge them to vote wisely. There are many who will get out there and lambast this Government during the election, saying that we have done nothing for this country. I trust that the electorate in each district will turn that back to them and ask them what they have contributed. In most cases, even in their respective jobs, when they could have helped this country they did not.

I believe that the National Team will once again be a team to reckon with. It is simply because we have followed our Manifesto which we presented to the people in 1992. We will continue to do what we promised the people.

I would like to say how pleased I am with the progress of the Law School. I know persons, such as the Hon. Truman M. Bodden, worked very hard to make that school a reality. Today we can be justly proud of the results. It has allowed many Caymanians an opportunity that they would otherwise not have been afforded if they had to go abroad for education in the field of law. Again, I believe that the money that has been spent in that area is money well spent. We should continue to upgrade and to promote it.

The Minister for Tourism mentioned several things that assisted with the boost in construction for our people today. I would just like to say that he was so correct. When we took office construction was almost unheard of. Through his hard work and the support of the National Team Government we were able to bring on line the Westin Hotel. He spoke about that, so I will not repeat it.

I would also like to say how pleased and proud I am to know that I have in my district a facility like the Morrith's Tortuga Club. That project created jobs for my people during the construction stages, and now in caring for the tourists and locals alike. A very fine facility, one of which I would like to see a second one of in my area.

Many of my people who had to travel to work at the Seven Mile Beach are now afforded the opportunity to work in their own district just a short ride from their home. This is most important in the day and age in which we live, because most times both parents are out to work and away from the children. We know of the problems that come about as a result of this. So when at least one parent can be in the district, as the saying goes, 'a stone's throw' from where they live, it makes all the difference.

It was asked who we were developing for with regard to hotels. I do not believe that any sensible government with a population the size of the Cayman Islands would ever believe that we could construct a hotel here and staff it completely from among our people. But that is only one side of the coin. Let us look at the spin-offs which come from having such a facility constructed.

Regardless if we acknowledge it or not, some of the construction dollars will go to our people. There will be some who will be employed. What about the duty and stamp duty that the Government receives on imported materials and, of course, land transfers? It is not directly going to our people, but indirectly. It takes such funds to keep this country running today.

What has happened during our tenure in office? Being a sensible government, and going the route we have, we have been able to go along on an even keel and never have to bring taxation on our people. That is completely different from the last government. The people of this country will never forget the package that the past government laid on the shoulders of the people of this country - \$20 million. If nothing more than that, it is a great achievement for the National Team Government. As my colleague the Minister for Tourism says, the Opposition can put that in their pipe and smoke it too!

Thank God for the foresight of this Government. Thank God for His guidance, that we were able to do things for our people and keep up the services without further taxation. I am proud of that. With all of that, we should ask ourselves: What else did we do? Look at the sizeable investments that this Government has attracted to this country; look at the outstanding businesses. I am proud to say that I was a part of it.

The Regional Headquarters for Cable and Wireless came here because of support from this Minister and the National Team Government. I am proud of it. Other territories were there with open arms begging them to come. Because of the confidence in the National Team Government they were willing to come to us. As I said, I am proud of it.

These are the things that the people of this country must reflect on come election time. While this Government has been able to attract such investors to this country, there is a group out there today falling all over themselves with their attitudes. This can easily destroy what we have built.

Let us reflect on places like the Bahamas. When I started working with the Royal Bank of Canada, Nassau was considered the place for banking. Because of bad political management and the escalation of crime, who in the territory

today boasts of having such a banking industry? The beautiful Cayman Islands. All fact, Madam Speaker. We have built an industry here that is rated throughout the world and we as a country and as sensible people must continue to protect it.

There are many would-be politicians in this country today. It is not because of the love they have for the Cayman Islands, they are getting into politics to take revenge. That is not right. It is not good for our country. When you are going to go into something with hate in your heart, how can you do justice to the country? There is too much of that existing, and I need not call names because that is spelled clear enough.

I am proud to be a Caymanian. I am proud to have been one who has given 20 years of my life to the management of this country. I have done so with pride. When I started here 20 years ago, there were many days when Mr. Craddock Ebanks and I shared a patty because there were no salaries then. Thank God I weathered the storm. I see the fruits of our labour today. I will stick with it as long as the Good Lord and the constituents of East End support me because I have children growing up, I have a grand-child and I would like to see this country remain as good for them as it was for me.

That cannot be done with some of those whom I see out there standing on paint cans today - that must be the paint can they were talking about in Bodden Town. Anyway, let me say that we must continue to be positive and keep the good ol' ship Cayman on an even course. We have worked too hard and too long to allow those without a care in the world to come and destroy it.

With regard to the hospital: I will not go into that because my able colleague, Mr. Anthony Eden, has dealt with it properly. I would just like to say that one of the issues this Government campaigned on was to stop the hospital in the swamp and to construct a hospital that would cost this country less money and afford the people of this country an excellent service. This is well on its way.

We are not only talking about a central hospital, but the National Team Government has looked at the needs in each district. We have plans in each district to put a facility where our people can be offered the care due them. The Minister for Health came in late in the day, but he picked up the mantle and, thus far, has done an excellent job. When I hear those prophets of doom (though they be few in this House) who once were a part of us, campaigning to stop that hospital in the swamp, criticising what we are doing as far as constructing a new hospital simply because they have joined up with other people who feel that way... Madam Speaker, I am a man who would die in his boots for believing in something. I am not going to be tricked into believing that by joining someone I have to change my mind and say that what I stood for in an election (for which my people actually elected me on) becomes wrong. How much respect is there for their constituents and the people of the Cayman Islands?

I know of instances where individuals were brought in from among those who are opposing us today on this hospital to tell us how to build a hospital that was not in the swamp. We were shown blue prints of hospitals that could have been built - and it should not have been built in the swamp. That Member was the Second Elected Member for Cayman Brac and Little Cayman. What do we hear today? It was wrong to stop the hospital in the swamp: yet he was the Member who brought in somebody to show us how we could

build a hospital that should not be built in a swamp - because he was a part of us at that time. He has a short memory. But I believe that we have done exactly what the people of this country wanted. We campaigned on it and we won the election in full force and we are going to give the people of this country a facility of which they can be justly proud.

We are going to make sure that there are health clinics in each district that we can be justly proud of. Thank God that I already have the property for the one in my district, and the plans are already drawn. We are going to get it. We have a clinic in my district, but it is some 20 years old. When that clinic was built, it was said that it was a waste of money, and that it was too big. Thank God that my district has progressed to where we have outgrown it. It has served us well and I am still proud of it. But for the expansion of the future, for the growth of my district, and for the promotion of better health care services to my people, I must have another constructed.

The health of our people is most important. A healthy society has to be a good society. We can boast (thank God) that we in the Cayman Islands are on top of the services that we offer to our people. Think of neighbouring countries where we constantly hear of outbreaks of typhoid, cholera, you name it, dengue... but, because of the diligent efforts of Government and other persons in authority, we have been able to stay on top of this. That is very important and we must promote that, not destroy it.

What better could my colleague the Minister for Health have offered the people of Bodden Town than a beautiful clinic? But we are aware of those who have ridiculed him because of that. I have heard stupid remarks relating to where the clinic was built. But, if I were a Bodden Towner I would be proud of it. I know the people of Bodden Town will no doubt remember those individuals who opposed it. They will also remember the good name of Anthony Eden who steadfastly fought to get it there.

On the matter of drug abuse, I am very much concerned, especially for the young people in this country. It has been said more than once that we need to come to grips with the big guys in the drug trade. I wholeheartedly agree with and support that. As we reflect on what these islands were, as far as that is concerned, and we see the way that drugs have gotten into our society, it is a very sad situation. Those big dealers (as they are called) should be ashamed of themselves as they go from district to district and look at the good healthy persons who have literally been turned into zombies. How can one live with one's conscience? I see that as bad, or worse, than putting a gun to somebody's head. At least the person is taken out of his suffering. But when it comes to destroying somebody with drugs, that is prolonged punishment.

I believe the funds this country has spent on trying to stop drugs and trying to rehabilitate those who are addicted is money well spent. As long as I am one of those in control I will have no problem whatsoever in trying to budget funds to fight this. It is something that all of us must be concerned about because one does not have to use it to be threatened by it. Many a good innocent man has lost his life simply because of somebody's use of drugs.

I will briefly speak on Education: I am so proud of the high standards of education in the Cayman Islands. It is good to talk to people, especially people from the North American Continent, and to hear the praise offered to our

standards of education here. This did not happen by itself. I am proud to have a colleague like the Honourable Truman Bodden, a man who has his mind and soul in what he does; a man who has worked to promote education for the young people of this country. I say to him, to his Ministry and his Education Council, you are doing an outstanding job. But I encourage them to stand firm when it comes to discipline and codes in the schools of the Cayman Islands, regardless of the minority force out there. I think that the Ministry and the Department and the Education Council of this country owe it to the people of this country. I want to know when my children go to school that the discipline is there. Parents who do not believe in a teacher disciplining their child, should keep their children at home.

I believe that all schools should wear uniforms. That is the way it has been and that is the way it should be. It goes further than that: I believe that in addition to uniforms children should be well trimmed. Somebody taking issue because the Department, the Ministry and the Council feel it is not right is rubbish. I think they should stand by their guns on it. That is not taking away anybody's rights. If they go by the rules and wear a uniform, then they must finish preparing their children so that they can associate themselves with their fellow students.

I am proud of the standard of the Primary School in my district. I am proud of the principal in charge. This morning I was offered the opportunity to declare sports day officially opened. The discipline I saw there made my heart feel good. I heard the principal speaking to the little ones. I could clearly see the discipline she has instilled into these little ones. This is what we need - and we need to start at this young age.

Of course, she could not have done it by herself. It took the interest of parents and the assistance of teachers to do what she is doing out there. Recently, through the assistance of the National Team Government, I was able to have that school physically upgraded. As far as I am concerned, it is one of the most outstanding primary schools at this time. I was also able to have a school bus purchased for my school. The gratitude that I was shown made me feel good. Each morning when I see that bus moving through my district picking up those little ones who either had to walk, or be driven by their parents on their way to work... all of that is behind us. We have a bus that will pick the children up and return them home safely to their parents.

We have purchased property adjacent to the primary school on which a preschool will be operated. This is being worked on at present and within a short time we are hoping to offer the services of that preschool. I thank all of my colleagues for showing me such support in the necessary upgrading of the school in my district.

I will briefly touch on the National Carrier, Cayman Airways. I feel heartened to know that in recent times our national airline has been out of the political arena. God knows it has been kicked around from (as the saying goes) pillar to post. But now we have an airline that we can once again be proud of. The Minister with responsibility must be commended for the job he has done with the national airline, with the support of the National Team Government.

It was a very hot issue in the last election and we told the people that this country could not continue on the trend it was going with regard to creating more and more debt as far as the airline was concerned. We campaigned

that if elected we would correct this - and we have! It is a pity that the last Government did not see fit to hold on to the 727s that we had. If they had, the millions of dollars that went down the tube would today be available to spend on more deserving things. As the saying goes, let bygones be bygones; with the help of God we have been able to purchase a jet for the country. If it continues on the trend it is going, we will be able to purchase another.

I am also pleased to see that they are presently thinking about opening another route into Orlando. Many of our people travel to Orlando throughout the year. The service of our own national airline will now be available. I think it is a good move and I hope and trust that it will work out for the airline. The people of this country can be justly proud of the action this Government took in the area of Cayman Airways.

It is a known fact that before we took office the past government had been unable to secure a loan for the airline. Because of the confidence in the new Government (the National Team Government) we were able to secure what was necessary to take care of what had been created. We did not have to go to the banks. The banks came to us. That is confidence in the first degree.

The Speaker: Would the Honourable Minister take a suspension at this time?

Hon. John B. McLean: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.27 AM

PROCEEDINGS RESUMED AT 11.59 AM

The Speaker: Please be seated.

The Honourable Minister responsible for Agriculture, Environment, Communications and Works, continuing.

Hon. John B. McLean: Thank you, Madam Speaker.

When we took the break I had just about completed my thoughts on our national airline. I would just like to add that it is very encouraging to know that not only are we taking care of airplanes, but we are also taking care of the staff. Today we can boast of a Caymanian Manager, Mr. Mike Adams, who is in charge of our national airline. In Miami we have Mr. Oliver Hill, another Caymanian. Here in Cayman, as far as maintenance is concerned, we have Mr. Tibbetts. I believe that the national airline is a very good example of what the National Team Government believes in as far as making sure that persons such as I mentioned are in charge.

I picked up the newspaper and I noticed that the resort which I mentioned earlier, Morrith's Tortuga Club, actually took the time to show their gratitude and pay respect to our national airline. I seek the indulgence of the Chair to read what it says. **"Morrith's Tortuga Club and Resort proudly announced that for 1995 calendar year we were the largest on island producer of passengers for the national carrier. Thank you, Cayman Airways, for your wonderful service to our guests from your proud supporter Morrith's Tortuga Club."**

I mentioned awhile ago the route to Orlando. It is my understanding that the airline will be putting on two extra flights for the Easter Holiday. We are making very good progress as far as our national airline is concerned.

I now turn to the Ministry for which I am responsible. I will deal with it accordingly, beginning with Agriculture. When we took office, the National Team Government stated clearly in its Manifesto what they would do with farming if elected.

Our policy was; **"To provide everything possible which is necessary to promote agriculture in the Cayman Islands and to fulfill our motto of Freshly grown crops and more healthily reared animals to produce a healthy food supply for our people.' Our aim will be to spend reasonable sums of money to strive towards self-sufficiency in food on a similar basis to the principle of spending on tourism."**

We have taken the path of our policy with regard to agriculture in the Cayman Islands. **"Our Objectives: 1. To follow such recommendations of the five year development plan as we feel are necessary and desirable."** We have done this. Thank God we are now in the process of extending the plan to take us into five or ten years in the future.

Our second objective was: **"To reinstate the Smith's Road Nursery..."** This has been done. This has been money well spent because that little showpiece is one of the areas where the tour buses take the tourists around George Town. That and the Turtle Farm show the various things which we try to grow here in the Cayman Islands. We are also moving some of these crops to another demonstration farm at Lower Valley.

We also stated that we would **"...make available to farmers the best quality animals, a qualified grafter, the necessary equipment..."** for the pasture clearing. We have done all of this.

Our fourth objective: **"To locate a proper Agricultural Department, in phases..."** at the demonstration farm in Lower Valley. As one reads the Throne Speech, it can be seen that later this year we hope to have this started and hopefully completed.

Objective number five was: **"To encourage farmers to specialise in specific crops..."** rather than one farmer branching out into a lot of different crops. Thank God we have been successful to a certain degree.

We also said that we would make available to farmers certain funds that could be loaned on a small scale. It was placed in the first budget after we took office.

Another objective was for a full scale poultry farm. While we may say that we do not have a full scale private poultry farm, we do have a poultry farm at the Prison. This has all been put in place with the assistance of the Department of Agriculture. We said that we would support the Farmer's Market and the Agricultural Society and we continue to do that.

I made it a point to say that if elected we would definitely have the annual Agricultural Show back on stream. Six weeks after being in office we put it in place for the people of this country, and it was one of the best shows ever held in the Cayman Islands. Each year it continues to get better and better.

We also said that we would provide proper slaughtering facilities. It is only a matter of time before we shall

commence construction. We said that we would encourage hydroponic crops and vegetables. Thank God we have Mr. Godfrey (and his son) who is presently producing top quality lettuce at the hydroponic farm right here in George Town. There is also another couple (a foreign couple) presently working toward another one.

We have seen the interest because even in recent times another fully equipped farm store has been opened.

I would like to encourage the farming sector. I would like to encourage importers of produce and meats to cooperate with the department and to cooperate with the Farmer's Market; to try their endeavours to take as much as is humanly possible of what is grown locally.

With all of that we have certain problems which, like any problem, will take all of us together to overcome. We have importers in this country who continue to import flowers, plants, produce and animals. I would like to appeal to them to work together with the Department, the Ministry and all those concerned with such products and animals, so we can be sure that when something comes in here we are not going to be faced with another disease or pest.

There are many, many insects and diseases around us that we have to be careful with. At this point in time one of the most destructive insects in the territory is what is known as the Hibiscus Pink Mealy Bug. I would like to table some information on this because it is for all of us to try to keep this out of the Cayman Islands.

It is my understanding that places such as Trinidad, Grenada, Australia, St. Kitts and Nevis are all infested. As a matter of fact, the last I heard about Grenada was that the one crop upon which they heavily depend on, nutmeg, was almost completely devastated.

We have taken a stand within the Department and Ministry to do whatever is necessary to keep it out of the Cayman Islands. But we need everybody's assistance.

I would like to share what we call a 'Pest Alert' which gives information on this, so that the Members can see for themselves what we are up against.

The Speaker: Honourable Minister, I understand it is the wish of some Members to suspend now until 2.30 Proceedings are suspended until 2.30.

PROCEEDINGS SUSPENDED AT 12.14 PM

PROCEEDINGS RESUMED AT 2.43 PM

The Speaker: Please be seated.

The Honourable Minister responsible for Agriculture, Environment, Communications and Works, continuing.

Hon. John B. McLean: Thank you, Madam Speaker.

When we took the suspension I had started to deal with my Ministry. I was speaking on agriculture. I seek the indulgence of the Chair to go back to something which actually falls under Education, information of which I was not aware until we took the break.

Some of us had an opportunity to visit the Light-house School. I encourage all Members of this Legislative Assembly to visit that school. I know that the Minister will probably deal with this, but I would like to say that while I am very pleased with the way the teachers are working so hard, I see a pressing need for us to take action to provide a larger

facility where they could do an even better job than what they are doing.

I would like to say that Mrs. Marge Quinland, the lady in charge, is doing an outstanding job. I was pleased with what I saw as I went from classroom to classroom. I know that it takes a special person to carry out such a task. It was really touching when some of the little ones tried to greet us. I would say that it really touches one's heart to see the little ones like that. I urge Members to let us try and support whatever the Minister is going to put forward with regard to that school. At the same time, if at all possible pay the little ones a visit.

Going back to my Ministry and agriculture, I would like to say that I was most pleased with the result of another Agricultural Show. It is a proven fact that the people of this country wanted the annual Agricultural Show back on line. Ever since I took office and had the show started again, we have seen an increased interest each year by the public. They have offered the support we were hoping for. As long as I am in charge I am going to try my best for a bigger and better show each year.

I heard what the First Elected Member for Cayman Brac and Little Cayman had to say with regard to a mini-show. I give that my full support. I think it is a very good idea and he is to be commended for making such a presentation on behalf of his island.

The only thing I would not encourage is for it to be held on the same date as the show here in Grand Cayman. In the same way our friends from Cayman Brac and Little Cayman visit with us for our show, I am certain that many of us would visit with them if they have that show. Should the Member want to organise something like that he can depend upon my support and that of the Agricultural Society and Department here in Grand Cayman.

I would also say that I was very pleased to see the nice letter which the Chamber of Commerce put forward in regard to the Agricultural Show on Wednesday, 6th March. It read as follows: "**The 30th Annual Cayman Agricultural Society Show was held on Wednesday, 21st February. The show is one of the largest gatherings to take place in the islands with attendance of some 4,500 residents. In recent years the major improvement on the goods on display at the show has been in the area of quality. The variety of produce and livestock at the show has become extensive and the methods of farming have grown increasingly sophisticated. In addition, recent shows have been made increasingly entertaining, particularly for the young attendants, with games, parades, and this year, the first musical horseback demonstrations. In spite of continued success of the annual show, many people regard farming as unimportant to Cayman. It is regarded by some as a thing of the past. It is true that when we think of commerce in Cayman, we generally think of tourism, finance and related industries. This is unfortunate, as agriculture quietly plays a vital role in Cayman. Thirty years ago when the Agricultural Society was formed, Cayman had no self service supermarkets. Most of us went to a store and handed over a list to be filled by the clerk. All of our other needs were provided ourselves in small plots and, in some cases, orchards. Today, Cayman is thoroughly up to date with nearly any product for sale in the US being available on the shelves of our supermarkets. Indeed, we tend to think of food as something which is imported, however, a considerable amount of the food we eat is produced locally. In the last five years there has been an increase in both the quantity**

and quality of local production. The farmers of Cayman now supply 19% of all the beef which we see in our supermarkets, and 27% of the produce. Why is this important to us as consumers? Why does it matter where our food comes from? The Chamber of Commerce has long promoted the buy Caymanian concept. The more we spend at home, the stronger our economy becomes. Everyone benefits. However, with the consumption of locally produced foods there is an additional benefit. In times of need such as after a northwester, when a ship does not come in, the stock on the supermarket shelves disappears alarmingly quickly. Were we to experience a major national crisis such as a direct hit by a hurricane, it is entirely possible that within a week we would be fighting over the remaining food. There can be no question that the advent of regular shipments of imported food has changed Cayman for the better. However, our prosperity has enabled agriculture, like other local industries, to advance over the years. There is a farmer's cooperative, a Government Agriculture Department exists with agronomists and other advisors; a modern central abattoir is slated to be constructed by Government. Today's farmer plays a vital role in the infrastructure of Cayman and is deserving of the full and continued support of Government and the general public."

The way this letter closes is exactly the way it is. The National Team Government continues to support agriculture in the Cayman Islands. We will do whatever possible within our resources to make sure that the farming community is promoted and that they have their fair share of whatever is necessary to do the promotion.

In the Department of Agriculture we continue to offer technical advice, both in animal husbandry and plant life. We have started a quarterly newsletter which is full of technical advice in both areas. I have a copy that is entitled 'Agroscope'. It is not an up-to-date copy, but it is the one I had in my files. I would like to lay it on the Table so that Members will be fully aware that we are trying in every respect to reach out to the farming community and to promote agriculture in Cayman.

At the beginning of 1996 the Department of Agriculture convened an annual forum in the form of a retreat involving my Ministry, the Department of Agriculture, relevant Government departments and agencies and a delegation of active and well-informed representatives from the farming community, supermarkets and the Chamber of Commerce. These deliberations revealed that there is a growing interest and support for agriculture by those present who interact commercially with agriculture.

Tremendous progress has been made in agriculture since the launching of our Agricultural Development Plan. For example, it has been determined that the average annual volume of local agricultural production between 1992 and 1995 was CI\$1.6 million. As reported, local production of fruits and vegetables represented 27% of all fruits and vegetables consumed in the Cayman Islands.

As I read from the letter awhile ago, 19% of all beef consumed in the Cayman Islands is produced by local farmers. All quality stuff. It was clear to see the quality produce and animals which the farming community displayed at the 30th Annual Agricultural Show, which was a great success.

I felt proud because I recall that when I first taking over Agriculture, farmers in this country concentrated on quantity rather than quality. Thank God today that has been changed and we have quality and, in some instances, we have both quantity and quality.

As I started to say this morning, despite the progress we have made, we still must be very careful in the Ministry, Department and other areas concerned. We have the threat of the introduction of diseases and of the mealy bug and we must always be aware that although the agricultural sector has grown tremendously over the years, it can be destroyed over a very short time. We are currently free of such a pest. As I said earlier, I cannot say too many times, especially to the importers in this country, that we must be on top of this and use our better judgment. We must make sure that we cooperate with the Department of Agriculture and let us make sure that we keep agriculture here on a clean footing.

At the Agricultural Show it was an historic occasion when I spoke about the Agricultural Hall of Fame. On the 3rd of July this year we will have our first induction into the Hall of Fame.

We have individuals, some who have passed on, others who are still with us, who have played a most important part in building what we have today in agriculture. The names put forward for the first inductees will be Mr. Will Wallace Bodden; Mr. William Nixon; Mr. Ulrich McNamee; Mr. Bertram Ebanks; Mr. Ashley Godfrey; Mr. Paul Smith; Mr. John Bothwell; Mrs. Myrtle McHayle. They are all deserving individuals who have played a very important part in making sure that agriculture continues.

We are hoping, as I touched on earlier, to move the Department of Agriculture Administration facility to the Lower Valley site. We believe that having a central point for Administration Building, demonstration farm, abattoir, and the Agricultural Pavilion will allow the farming community to have a central point on the island whereby we will be able to service them better.

We also will continue to upgrade the facility which is presently utilised for the show. Technical training and assistance, two training courses in livestock nutrition, post harvest handling and marketing to enhance the efficiency of local farmers are to be conducted by the University of the West Indies.

It is our belief that we must continue to encourage the younger individuals especially to become involved in this very important part of our economy.

Recently I visited the Red Bay Primary School. The Department will be working quite closely with that school in trying to put in a system where the children will be able to utilise grow-boxes and learn what it is all about to plant. I believe that this is exactly where we need to start. As children going to primary school we did so. For those of us who wanted to continue doing so, we did. But we had an early start, and it is true that what is imbedded in the mind of a child often remains.

We must remember from whence we came because in years gone by most homes had their own kitchen gardens. Most families raised a few pigs and chickens. For whatever reason, over the years we moved away from that situation. It is good to see that the interest is there again, especially among several young people throughout the island who are raising cattle, goats and, in some instances, crops.

I am pleased that the Department of Agriculture and my Ministry have worked in a direction to lead the farming community to where it is today. The lady Member for North Side had good things to say with regard to agriculture. I am

grateful, and I accept that on behalf of my department. We have tried over the years to make it easier for farmers to access their properties. Again, this has opened up a whole new era within the farming community. Previously it operated under very, very tough circumstances. We spoke of horseback, mule-back, or human-back. Even the donkey! But today, many farms are driven to on a daily basis. Even if somebody is only farming part-time, he can put in a day's work then go home, jump in his vehicle and access his farm and do some work there too.

I turn to the Lands and Survey Department. The ongoing buoyancy of the Cayman Islands Real Estate continues to reveal itself in the revenues collected by this department. In the first two months alone, over \$3 million in stamp duty was collected on the basis of some \$33 million worth of land transferred.

In pursuit of further stamp duty the Lands Officers have been actively seeking out leases upon which stamp duty has not been paid. This is a very important department and we will be working steadfastly to ensure that whatever is owing to the Government will be collected. There is much to be done. The revenue is needed and we will do everything possible to make sure it is collected.

I will touch on Telecommunications. I would like to confine myself to the new system which we are presently putting in place, the 9-1-1 system. Currently there are three emergency telephone numbers in Grand Cayman - 500, 555 and 9-1-1. Basically, 9-1-1 is the emergency number. We are presently in the process of putting in place the enhanced 9-1-1 system to be completed by the Fall of 1996.

What will this do? This system will allow citizens of the Cayman Islands access to the emergency services of police, medical and fire. It is a system whereby if somebody becomes ill at home 9-1-1 can be dialed and at the same time it can be traced back to that residence. It all goes hand-in-hand with the street naming and numbering which is also in train. Both must come at the same time.

We are trying our best to give this as much publicity as possible. Again, in each of the schools we will be doing presentations. We have already started. We have come up with a little magazine which explains exactly what the 9-1-1 system is all about in a very simple way so that the children and adults alike will understand it more fully.

I have been questioned in this House on the 9-1-1 system, but let me say that I believe, from what I have seen thus far, once this is in place we will be able to better serve our people, especially in time of need in the areas mentioned.

It made my heart glad when we introduced the TDD part of the 9-1-1 system which is the Telephone for the deaf and dumb. A girl who was unable to communicate before by voice from the district of West Bay, was hooked up to the system and she sent me a message thanking me for opening up the world for her. She stated that she was now able to communicate with friends and family, something she had never been able to do by telephone in her lifetime. I was very touched.

If there is no other praise or recognition for this system, I am happy with that one because I know there are many others out there who will be afforded that system which will help them to communicate as all other persons in our community.

We have in place a consultant who is doing all of the necessary work. Prior to this consultant's coming I went to a small town in Boston with a population similar to ours. I saw firsthand exactly how this thing works. It is a system that we can continue to add on to. In fact, once we have the street naming and numbering in place, if a police car is sent out on patrol to check a certain area, the dispatcher will be able to trace that vehicle from point A to point B. As a matter of fact, I saw the system in operation and it was possible to key in and tell the speed at which the car was travelling. It is all necessary, especially in a territory like the Cayman Islands where we are catering to so many tourists on a yearly basis.

I can imagine that it must be somewhat confusing to the average American tourist in a time of need here in the Cayman Islands, not to have such a service. Thank God that it is on its way and I hope and trust that it will be the means of saving lives in the future.

I turn to the Post Office. In line with the Postal Development Plan in 1992, prepared by the British Postal Consultancy Service, the year 1995 saw continual improvement in the Postal Services; a year in which all traffic and revenue records were broken. Building on foundations laid down three years ago, when the implementation of the plan was initiated, a wide range of issues were addressed.

As part of a continuing programme of up-grading, the refurbishment of the Bodden Town, Savannah, West Bay and Hell Post Offices was carried out, including the installation of air-conditioning at these offices. Site acquisition for the establishment of new offices at Bodden Town and West End Cayman Brac was started. Detailed costing and plans for the new mail processing centre at the airport were finalised.

Mail collection services, already doubled in the previous year, were further enhanced by the installation of ten Mail Drop Boxes placed around Grand Cayman. Box delivery services were further improved by the installation of various boxes in the different parts of the island.

When I first took over the Ministry, my Permanent Secretary and I travelled to London and got hands-on knowledge of the British Postal Services. We were taken through the operations there. Until that time, although recommendations had been made by the British consultant, no steps had been taken, no policy was taken with regard to trying to implement the recommendations.

Immediately I took a paper to Executive Council and the consultant was brought on the scene. I am speaking of an individual with many, many years of experience. Today, I am pleased to say that, thus far, the many plans which he has actually drawn up, including the new building at the airport, have all paid off.

At this point I would like to pay special tribute to the lady who was actually in charge of the Post Office's day-to-day operation, Miss Corrine Glasgow. I was saddened to know that she decided to resign. But life must go on. During her tenure she did a good job in implementing certain things which were put forward by the consultant. She did an excellent job with public relations. It is unfortunate that she decided to resign.

As has been mentioned, we are hoping that as soon as the funds are available plans already in place for a Mail Processing Centre will be started. This, in itself, will assist us in offering to the general public a much better service. It will

allow us to utilise the present Post Office in George Town for light mail only. Bulky mail will be disbursed from the new facility.

I am also hopeful that in the near future in my district we will be able to renovate the Post Office and improve on the services there and throughout the other districts. I would like to see the time come when we can go back to offering postal services as well as collection of other revenues as was done many years ago. I know that certain things can be done now, but not in every Post Office. The reason is that we need better facilities, which we are presently working on.

The Seven Mile Beach Post Office has grown from strength to strength. It is a Post Office that surpassed many of our expectations. It continues to grow. Also, the area known as Hell is another Post Office which continues to attract the tourists who come to our shores. It is these areas that we must continue to promote and ensure that the tourists and locals alike are satisfied with the services which they receive.

I turn to the Department of Environment. I would first of all like to publicly apologise to certain residents who live in the North Sound, close to the DOE building. For some time I have answered questions in this House with regard to what would be kept at that new facility. The assurance was given that no spray chemicals would be there. That is exactly what is intended. Unfortunately, a week ago certain containers were stored there which appeared from their labels to be chemicals used to spray mosquitoes. It was a very unfortunate situation and one which I was very upset about because the assurance had been given and if those containers were going to be placed there, it should have been a sure case that the labels were corrected to show the correct contents of the drums at that time. What happened was that the solution in the drums was one that is used to disburse oils which may wash up on the beach. The containers were emptied of the chemical used for spraying and these containers were used for this disbursing, but the labels were not removed.

I met with a small group of residents from that area. I gave my apologies. It is my intention to meet with the group again and speak with them and reassure them that their fears are no fears at all because the chemicals in question have been kept at the airport facility and right now we are making preparation to better house them at the airport.

The other concern was that the garbage trucks would be kept at that facility. That too has been corrected. The garbage trucks will be kept at the dump. Already we have constructed a place to keep them.

I am sorry to know that this took place. I know that certain MLAs were upset about it - and they rightfully should have been. Just a few days before that the assurance was given and that is the way it should have been.

Moving on to the MRCU. I would like to say that at present we have been able to secure a veteran of 30 years, Mr. Frank Wilson, Entomologist, to be in charge of this unit. He comes to us with many years of experience in controlling mosquitoes in Florida. Thus far it is my understanding that he is on the ball here in Cayman, doing his best to improve on what we have in place as far as the control of mosquitoes is concerned. This is very important for our island, especially since we cater to so many tourists. Of course, it is also important to our people. Many of us remember the unpleasant

situation which existed years ago in certain areas with the mosquitoes. I believe that funds spent in this area are funds well spent. We must continue to do whatever research is necessary so that we can remain on top of the situation.

Since I have had the responsibility for this, we had an occasion a few months ago to become very worried about the buildup of resistance by the mosquitoes to the insecticide used. With the new insecticide we are using, it seems that this situation is under control. I believe that as we continue our programme which Mr. Frank Wilson is presently working on, that we will remain in control of the situation. We also continue to place larvicides in the ponds and along with that we also do areal spraying.

Speaking of the Environmental Health Section, I would like to say that this section is doing a very good job, especially in the area of recycling. We continue to collect and ship in bulk things like batteries and plastics, we also collect burned oil, and it seems as if we may have found a market for worn out cars and old equipment.

This is very important because we are fast running out of space to bury this sort of garbage. Some statistics are as follows: Aluminum cans - we shipped one 40 foot container in 1995 weighing about 12,000 pounds; we collected value per ton of \$1,020 (US), or about 49 cents per pound. The total revenue generated after such a shipment was approximately \$3,500. We have projected shipments for 1996 of about four container loads. We are hoping to show a profit.

With regard to lead batteries, we have been able to get a price of \$110 per ton (US). The figures are: 1994 - three shipments; 1995 - five shipments; and already in 1996, one shipment. The total revenue generated (excluding 1996) is about \$6,000.

One may look at this and say that we are not making very much money from it. But my view is that once we are covering the cost of shipping it, getting it out of our country and making a profit (however small that may be), it serves us well to get it out of our country and save on the land space.

With regard to cardboard, the price per ton is about \$70 (US). In 1995 the number of shipments was 29; in 1996 we have had eight shipments thus far. It is projected that in 1996 we will make a small profit. At the same time, let us just think of the space that we would have used up at the dump if all of this had to be buried. It is believed that we are presently diverting some 570 tons of waste from our land fill. That is saying a lot.

The Speaker: Would the Honourable Minister take a suspension at this time?

Hon. John B. McLean: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 3.39 PM

PROCEEDINGS RESUMED AT 4.04 PM

The Speaker: Please be seated.

The Honourable Minister responsible for Agriculture, Environment, Communications and Works, continuing the debate.

Hon. John B. McLean: Thank you, Madam Speaker.

When we took the break I was going through some statistics on garbage collection and shipment of bulk items abroad. I would just like to share a little information with the House in regard to the amount of garbage generated here every year. It is my understanding that 27,260 tons of garbage is generated each year; 24 million aluminum cans are imported; the cans represent 1.7% of the waste at the landfill in Grand Cayman. Cardboard represents 12%; and we generate over 10,000 potentially hazardous lead batteries each year.

Shipping the amounts I mentioned earlier shows how important it is to this country to be able to get that amount away from this island back to the United States where they can better deal with it.

Currently, the department recycles aluminum cans, cardboard, Christmas trees, and batteries. The trees are turned into mulch and are given to locals. We have several areas for collection and once it is turned into mulch, the department makes announcements and allows people to collect it. It is hoped that in the near future the department will also implement a newspaper and office paper recycling programme. Office paper represents 2% of the landfill and newspapers 5%. It shows us that if this can be collected and recycled we will be doing our country good.

We have to realise that aluminum cans do not disappear once they are thrown away. It takes years and years for them to decompose, I guess it would be correct to say 500 years. It is the same thing with Styrofoam and plastics. It brings me back to what I mentioned earlier when I said that I had visited the Red Bay School. There were two projects started there; one was an agricultural project, and the other was a recycling programme. I was really impressed to see what the students had collected along the beach area of North Side, even in a small section of that beach. We saw aluminum cans, Styrofoam, needles, just about everything you could think about. Of course it was material that would have taken many, many years to decompose.

I was happy to immediately speak with the students encouraging them and their families to recycle. At the same time I had the Department of the Environment send somebody over from the Public Health area to make sure that they received a good lecture on it. We also sent over tracts with information and some collection containers for cans and other disposable items.

I believe that this is the place for us to start - the schools. It is a known fact that adults may often times see something, but because of the pressures at work tend to not concentrate on it the way they should and take the necessary action. With a child it is a completely different matter. That child will continue to nag mother and father and to remind them of something like this. I believe that if we can get a programme such as we did in the Red Bay School established throughout the schools, especially the Primary schools, it will undoubtedly help us a lot in the many efforts which the department is making.

We must also realise that lead batteries create a potential health risk. If we continue to bury them sooner or later this will be seeping into our ground water. Regardless

of whether we like it or not, we have already damaged certain areas on this island with the burial of old cars and batteries and the likes. I think the time is right for us to press forward like the department is doing and to do our utmost to make sure that this sort of thing is stopped.

I also mentioned old vehicles. It is amazing to see the space taken up at the dump with each old car that we have to cover up. It is even worse when you think of a dump truck, or bulldozer, or crane. We are trying to make proper arrangements abroad. All of this can be shipped back to the United States.

I have heard suggestions made that perhaps we should look at the possibility of utilising some of this to create reefs around the islands. Of course, without saying much to that, a lot of people will tend to disagree. It could work, because I recall several months ago (probably a little more than that, probably a couple of years ago) when I travelled to Cuba and was taken to an artificial reef that was made from things like old tractors, old cars and old sunken ships. I do not recall right now the take of lobster per day from that area, but it was tons. It is my understanding that this is an ongoing process. These reefs were created right around. I say that to mention one of the proposals put forward. As I mentioned we are trying our best to get it out and take it back to where it can be disposed of properly.

The other area I would like to briefly touch on also falls under the Public Health Department: the problem we are faced with today is cemetery space. We have established a cemetery committee and we have put terms of reference together for them. We have to look into the future to try to come up with a solution. The fact remains that as we travel throughout the island we will find that the quality of land utilised years ago for cemeteries does not exist anymore. It has been taken up by construction of condominiums, etcetera. Furthermore, we have to be realistic about the fact that that type of land is very, very expensive. It is my belief that one of the reasons that type of land was used in the first place was simply because there was no other use for it and, along with that, in those days graves were dug by hand.

Today, we are blessed in the Cayman Islands (as I have said many times today) because we have equipment with which we can do just about anything here on the island. I believe that the time has come when we have to look at other types of property where we can create cemetery space.

I believe that it is now extremely necessary to start, and we have made a start. In some districts it is almost a crises situation. I know that some years ago I was able to secure some property in my district. A few days ago I walked by that plot and in just those few years I can see how it has filled up. The adjoining lands are already taken.

This is something to which I have asked that priority be given, Of course, in whatever we do I will keep the House informed and whatever we come up with I will seek the input of the MLAs in the various areas.

I would now like to touch on the Cayman Islands Turtle Farm. I was given responsibility for this about a year ago. I would like to report that it continues to do well. I have recently taken on another Caymanian, Mr. Joe Parsons, a person who worked well under the Manager before Dr. Wood. In the words of Dr. Wood, Joe Parsons happened to be second to him in the world when it came to dealing with

green sea turtles. I am really pleased to see that the young man thought so much of his country and the farm that he was ready to leave a family job and return to work with us.

Recently the Managing Director, Mr. Atlee Ebanks, resigned. I would like to pay tribute to him for the work he carried out during his time. I enjoyed working along with him. Again, contrary to what was on the road (that I was going to replace him with a foreigner), I am pleased to stand here this evening to say that the gentleman who has taken over for him is none other than Mr. Ken Hydes, a son of the soil from the West Bay district. He is a very knowledgeable young man who came up under the umbrella of Dr. Wood, and somebody who is well respected by his staff.

When we did the change over about three weeks ago, I was very pleased to be told by literally every staff member there that they were so pleased with the announcement that he would be the manager and that they were committing their full support to him. This means a lot because when we are dealing with something like the Turtle Farm, there is no space for pulling or pushing one another. It is something that calls for team work.

We have certain plans for the future of the Farm, some have been before the Board of Directors, others will be going before them. We believe that there is still much that can be done on that property to add to the attraction which is presently there. We now have a very fine restaurant there. The tourists are supporting it well. It is these areas that we are going to brush up and improve upon, also the gift shop.

There is never a problem in selling the meat. All locals in the Cayman Islands have a special taste for turtle meat. Nowadays, those who actually get meat from the Turtle Farm appreciate that it has come a long way. The quality is as good as the turtle from the wild. We are going to work hard to try to keep the animals healthy. Mr. Parsons has a very watchful eye on the herd. We had a good laying season this year, so I think that with care and protection of what we have there, that will continue to be a number one showpiece for the tourists who visit our shores.

The gift shop is almost impossible to penetrate on certain days of the week when we have many tourist ships in. This is an area which the Board of Directors and I will be looking at and trying to expand upon. I would like to pay a tribute to a very good Board of Directors because we have all business-minded people who are quite knowledgeable, like the Second and Third Official Members; I have the Minister for Education; Mr. Ken Hydes; a lawyer, Mr. Parsons - all good, qualified people; Capt. Charles Kirkconnell, one of the best businessmen in town; my Permanent Secretary and myself. We have a good team and we find ourselves working well together.

I hope that the day will come when we will be able to expand the herd to where we will have no problem meeting the local demand for meat. As it is now, I liken it to gold dust; the stew meat is something that sells as soon as it comes on the market.

Someone is telling me to put the price down. Where there is a demand we can keep the price up! We are hoping that once production gets to where we have sufficient meat to deal with the market properly; things can then be looked at. I would not want to see the price continue to climb the ladder, I would like to see it stabilise and, if possible, be reduced. But at this point in time we have to keep it where we can continue to support the Farm.

With regard to the steaks, this is something being taken on by the locals because for a long time Caymanians looked at turtle as stew. The restaurants and others are assisting us greatly there. Recently I established an outlet with the Farmer's Market and other companies have been patronising the Farm very well. We are well on our way, and I will continue to keep a watchful eye and do whatever is humanly possible to continue to improve it.

MOMENT OF INTERRUPTION

The Speaker: Honourable Minister, it is now 4.30. Do you expect to be finished shortly?

Hon. John B. McLean: No, Madam Speaker.

The Speaker: In that case I will ask for a mot adjournment. The Honourable Minister responsible for Education and Planning.

ADJOURNMENT

Hon. Truman M. Boddan: Madam Speaker, I move the adjournment of this Honourable House until 10 o'clock Monday morning.

The Speaker: The question is that this Honourable House do now adjourn until 10 o'clock Monday morning. I shall put the question. Those in favour please say Aye. Those against No.

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until Monday morning at 10 o'clock.

AT 4.30 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM, MONDAY 18TH MARCH, 1996.

**EDITED
MONDAY
18TH MARCH, 1996
10.17 A.M.**

The Speaker: I will ask the Honourable Minister for Tourism, Aviation and Commerce to say prayers.

PRAYERS

Hon. Thomas C. Jefferson: Let us Pray.

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

Bless our Sovereign Lady Queen Elizabeth II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated. Proceedings are resumed. Administration of Oath of Affirmation. Mr. Joel Walton will you please come forward?

**ADMINISTRATION OF OATHS
OR AFFIRMATIONS**

(Oath of Affirmation Administered by the Clerk)

Mr. A. Joel Walton, JP

Hon. A. Joel Walton: I, Arthur Joel Walton, do solemnly and sincerely affirm and declare that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II her heirs and successors according to law.

The Speaker: Please take your seat. We welcome you as the Temporary Third Official Member. I would also like to welcome the Honourable First Official Member back from his tour.

Presentation of Papers and Reports. The Traffic (Radar Equipment) Regulations, 1996; and The Traffic Ticket Regulations, 1996. The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

**PRESENTATION OF
PAPERS AND REPORTS**

**TRAFFIC (RADAR EQUIPMENT) REGULATIONS, 1996;
and
TRAFFIC TICKET REGULATIONS, 1996**

Hon. John B. McLean: Thank you, Madam Speaker.

In accordance with the Traffic Law 1991, I beg to lay on the Table, the Traffic (Radar Equipment) Regulations, 1996; and the Traffic Ticket Regulations, 1996.

The Speaker: So ordered.

The Government Minute on the Report of the Public Accounts Committee on the Report of the Auditor General on the Audited Accounts of the Cayman Islands for the period ended 31st December, 1994.

The Honourable Temporary Third Official Member.

**THE GOVERNMENT MINUTE ON THE REPORT OF
THE PUBLIC ACCOUNTS COMMITTEE ON THE RE-
PORT OF THE AUDITOR GENERAL ON THE AUDITED
ACCOUNTS OF THE CAYMAN ISLANDS FOR THE
PERIOD ENDED 31ST DECEMBER, 1994.**

Hon. A. Joel Walton: Thank you, Madam Speaker.

In accordance with the requirement of section 74(7) of The Legislative Assembly Standing Orders (Revised), I beg to lay on the Table of this Honourable House the Government Minute in response to the Report by the Public Accounts Committee on the Report of the Auditor General on the Audited Accounts of the Government of the Cayman Islands for the period ended 31st December, 1994.

The Speaker: So ordered.

Government Business. The Honourable Minister responsible for Agriculture, Environment, Communications and Works, continuing the debate on the Throne Speech.

GOVERNMENT BUSINESS

**DEBATE ON THE THRONE SPEECH DELIVERED BY
HIS EXCELLENCY MR. JOHN W. OWEN, MBE, GOV-
ERNOR OF THE CAYMAN ISLANDS, ON FRIDAY,
16TH FEBRUARY, 1996**

(Continuation of debate thereon)

Hon. John B. McLean: Thank you, Madam Speaker.

On Friday when the House was suspended, I was about to deal with the Public Works Department, another department which falls under my Ministry.

The Public Works Department continues to be criticised by just about everybody. It is unfair because the Public Works Department happens to be the department that looks after works for literally every other department within the

Government. It is for this reason that they come under more criticism than any other department.

If we think of road works and clearing of the sides of the roads, it is all work that is exposed to the general public at any time. It seems as if the public (and, indeed, some of us within this House) believes that we have a calibre of individuals working at Public Works who have no feelings. That is not correct. These are members of the Civil Service who are most exposed to the heat. They are out there working on roads, or trimming the sides of the roads - yet, should mid-day come and the men take a break, or they are seen sitting under a tree 'catching five', I have to accept calls the rest of the evening from people saying 'your men are wasting time.' It is so unfair. Nobody stops to realise that when somebody is exposed to the type of heat we have in the Cayman Islands that it is only human that at some point they must seek a little shelter.

I would like to say that I am pleased with the production of the Public Works Department over the last three years, contrary to what critics may want to say. At times I have had to say to myself during the last three years, 'My God, it is almost inhumane the way those men are working.' I can think of instances during the Cuban crises. If it had not been for the dedication of the men working in that department we could have never, ever kept up with what we had to do, such as providing accommodation for the Cubans. At the same time, they had to continue their other jobs. But with all of that I can think of no one time that I called upon that department when the response was not there. It was weekends, nights, right around the clock. I believe that it is due to the fact that they are committed to their jobs and to their country that they continue with all the criticism to do the good job they are doing.

We have Caymanians in that department whose work spans back to 1967. I think in one case it goes as far back as 1959. If that is not dedication to what I consider a hard job, then I would like to know what is.

For the past three years, much road work was carried out. Not just in one district, but throughout the island. Every district can boast today that they have been receiving for the last three years as much as was financially possible in their district through the efforts and hard work of the Public Works Department.

It is my hope that for these long-serving individuals we will be able to have a little function and offer them some sort of award later on this year. I think it well deserved and it will be money well spent. It is due to them, they are our people; and, as far as I am concerned, with those years of dedication, there is no reason why it should not be done. As a matter of fact, I think it should have been done a long time ago.

Road Works: One Member spoke a few days ago about the number of pot holes here in George Town, and was concerned that only \$238,000 was allocated for a big district like George Town. Let me say that I wish I had the funds available to me to put in \$2 million per district. Each Member in this Honourable House is aware that the reason for the \$238,000 is simply that the amount allocated for road works was shared among the various districts.

The matter was brought to Finance Committee where each one of us happens to be a Member. The most I can say to anybody is that if there is a sum in the Budget which you are not satisfied with, then the opportune time is

at Budget time and Finance Committee. Air your views there, not in the debate on the Throne Speech, because it was already taken care of at Budget time.

I also was not satisfied with the figure allocated for my district. But I knew what was in the Budget. I knew what the share for the district of East End was. What I have had to do is share it and put it on the roads of priority in my district.

As I normally do the first of the year I visited with MLAs from various districts and I asked them to identify the jobs which they think are most necessary. Once that is done I then give the Public Works Department the task of costing the roads. That is circulated and then we ask the MLAs to tell us exactly what their priority is.

I do not know what more the Minister can do. What I told the Minister and the Government is that if we need a loan, let us get it. I had Public Works Department do a costing. I know more or less what is needed in this district or any other district on the island. The figure costed in this particular district is \$5 million. I cannot do the work if I do not have the money.

The Public Works Department has made certain suggestions as to how we could spend the \$230,000. It is not carved into stone because it is entirely up to the Members from that district to tell us. It is just a matter for us to make suggestions based on the road work left from last year.

When the list is available to us and the funds are released to us, Public Works Department is ready to start. The most I can say is that we must realise that this year is a short year. There is no use in our waiting until the last minute expecting miracles. We need to get started as soon as possible.

Just to point out certain things that were carried out in George Town, for the fiscal year 1993 there were about \$250,000 spent. These were funds spent on raising the Thomas Russell Way. We did a section going west by the Sleep Inn. We did some work to the Taxi carpark; we did work on Seymour Drive and rebuilt a portion of the North Sound. We did shoulder work in South Sound; North Church Street; around the English shop. We re-sealed the Watler's Road. We did work by Dorcy Drive and the port facility at the airport.

In 1994 we did the Crewe Road realignment; we did the overlay to Crewe Road to the Lion's Centre; we did sidewalks by the Middle School and Catholic School. We re-sealed a portion of the South Sound Smith Cove Road. We did shoulders around North Church Street; marl work on the Middle School Dyke Road. We did West Bay Road and Palm Heights corner; we re-sealed a portion of Eastern Avenue.

In 1995 we did some work on the Crewe Road realignment, the same piece at the airport which was finishing work; we sealed a portion of road by the middle school and we finished a piece of sidewalk. We did some work by Dorcy Drive and the Port; some more shoulder work on the junction of Eastern Avenue and Nixon. We did the road construction in Templeton Pine Lakes. This is one of the roads I mentioned earlier that came on us out of the blue after that terrible rain storm we had. The Public Works Department was ready and prepared, and as soon as the funds were made available we were in there. From all reports that I have received the residents in that area are more than thankful and happy about the work.

Areas of road at Washington Avenue were constructed; we did Truman Myles Road; we put in a third lane by Sleep Inn; and we did a second phase of Eastern Avenue and finally, the fence and sidewalk were completed by the

Middle School. We are looking at a total of \$2.394 million over the past three years.

Work has been carried out down here and, like anywhere else, my district is no different. I know that we had a number of pot holes come out over-night with the last rains. This will continue to happen because once the earth becomes saturated we will have this sort of thing unless we are prepared to go all the way with hot mix. As it is right now, we have to use the seal and chip; it is much cheaper and we can get a lot more work done as far as miles are concerned. I would like to see it all done in hot mix, but it is an added cost.

As I mentioned, it is my understanding from the Financial Secretary that we are well on our way with what was provided in the budget as far as securing some financing. I believe that is the way we will have to go. We will have to spend funds as they become available. There is no good in the public thinking that we can just go and get huge loans. It was mentioned in here that we should get the loans even if our children have to help pay.

One of the things that this Government campaigned on was that the other Government had created huge debts. Whatever this Government does we must be mindful of what our campaign consisted of. That was one of the things we said. As far as the finances of this country are concerned, I will have to be guided by the Member who holds responsibility for finances. If he should say to me that funds are available, he happens to be the responsible Member and I would have to work in accordance with his better judgment. I cannot go ahead and permit road work for which I have no way of paying.

I think the Fourth Elected Member for George Town spoke about the national road plan. He remarked that the cost is not as important as it is to have a plan. That is quite true, but we have to look at it from the point of view of once having secured corridors then, if we are saying within that corridor we will construct a road in the future, that means that the property over which that corridor runs would not be able to be utilised by the owner. The next step would be for that individual to seek compensation. So we have to take the cost into consideration. It we are going to tell somebody that they cannot use their property, I think it is only fair for us to compensate them for any hardship.

He also mentioned his concern over the large subdivisions and the need for road work to be done. He said it seemed as if sufficient money was not available at this time. I would just like to say that I share his concern. If it were my constituents who were calling on me on a daily basis, then I would have to be concerned.

He went on to ask: If all the bad Governments of the past did nothing about it and four years have passed and this good Government has done nothing about it, where will we end up? I just pointed out that over the three years we have done something. It was not to do all of the roads, but we have done what we could within our financial means. I believe with the way the economy seems to be going that we should be able to continue to work towards correcting these problems. The most that I can say is that if there are urgent needs, we will have to look at them on the basis of that and try to address them as best we can. If there is a case that deserves urgent attention and we need to find funds, even if it has to be diverted from somewhere else, we may have to look at it from that point of view.

With regard to the Harquail bypass, I know that everyone is anxious. I answered a question here not too long ago laying out the time frame on it. The most I will say on it at this time is that we are progressing according to the time schedule that I gave here. Hopefully in a short time we should be on our way.

I would now like to turn to another department within my Ministry, the Department of Vehicle and Equipment Services. I would like to say that they continue to carry out work for which the department was put together - of course, at a very high standard. The vehicles are maintained there, and all other vehicles for Government are purchased through the same department.

Also, that department continues to be responsible for the fuel and lubricants for all of Government's vehicles. It is a known fact that for many years there was an old service station on the Public Works Department compound. In recent times we have been able to negotiate with the two fuel companies on the island, Esso and Texaco, and I am pleased to report that this morning the contract was signed between Esso and DEV to provide a very sophisticated system to be housed on the property in front of where DEV operates. It will be a service station and it will also carry the other lubricants and oils that go with the gas station. It will be through normal working hours with two staff members. It will also be a 24-hour station. During off hours each driver of the vehicle will be provided with a card system which will identify the vehicle, the person, and keep records of the fuel used and in what vehicle it will be used.

We believe that it is a good system and it is hoped that the contract for construction will be awarded in a few days. The completion date is for around the end of July. It will be a facility with three 6,000 US gallon double-walled fiber glass storage tanks; two red-jacket submersible pumps; two Wain-Dresser Quadro Electronic card control dispensers with four hose outlets capable of serving two vehicles with either of two products at the same time. Each dispenser will be fitted with in-line fuel filters. It will have one reinforced concrete cover over the tanks. It will have electronic pumps and controls and it will be what I consider a top class facility that will allow the necessary control on the products used by Government equipment and the necessary control on those who will be utilising the equipment and receiving the fuel.

As I mentioned, this facility will be immediately in front of DEV on the property where the garbage trucks were housed for some time. It should enhance the area and we are certainly looking forward to having the facility in place by the end of July.

I will move on from my departments to touch briefly on Sports. I would like to go back to our Manifesto of 1992 to clearly state our policy: **"We will emphasise the significance of Sports to all, encourage participation, and develop proper facilities throughout the Cayman Islands."**

It is so disturbing to hear certain individuals crying down the actions which have been taken in regard to Sports in these islands - something which should have been done many, many years ago. This Government (with the assistance of the Minister responsible) has seen fit to try and do as much as it can to promote sports, and all at once it seems as if certain people are saying it is a bad thing.

I believe that money spent on sporting facilities, as this Government has spent in these islands, is money well spent. We continue to cry down the young people of this country for getting themselves into drugs and other things that are not legal.

What better can we do than to provide them with something that they can do to vent their frustrations?

I would like to say that I am a proud representative of my district to have been able to achieve a sporting facility such as the full size field that is in my district and to also continue to be able to upgrade it. Not only that field, but the facilities at the Primary School in my district. Also the other field which is more or less used as a practice field. We have a couple of hard courts and, thank God, almost on a nightly basis these fields are being utilised. I am not here to judge, but where would some of these young people be if these facilities were not there for them to use? We must ask ourselves.

I was pleased to know that the world renowned Mr. Peli was able to open the field in my district. This is history as far as Sports is concerned in the Cayman Islands. As we move around we will see that sporting facilities are not confined to any one district. We have the Ed Bush field in West Bay; we have the Truman Bodden Field in George Town; facilities which are heavily used by the young people, and the old in some instances.

We should be thanking Almighty God for the progress we have made in this area rather than throwing it down because one does not agree with this Government, or they do not like the Minister responsible for Sports. I think that is very ridiculous. The fact remains that each one of us achieves something during our time in office. If it fell his fate to achieve so much in sports, thank God, because the country needed it.

There are certain games today where we can have world competition here in Grand Cayman. We could not do that before. We must look at that from another point of view. Each time such competition is held in Grand Cayman, it is not just a matter of going and kicking a ball, what about the hotel rooms that will be rented? What about the added groceries that will be sold? What about cars that will be rented? What about the airline tickets sold? There are many, many spin-offs.

Most importantly, we are doing something good for the youth of this country.

I was pleased to know that the football group in my district felt so strongly about one of their past players, Mr. Donovan Rankine, that they had the field named in his honour. Again, it says something for what Sports is doing here in these islands.

At present I am also working on a hard court facility in the Gun Bay area and, with God's help, and as funds become available, I will be approaching the Minister for a small field in that area too.

It is my understanding that since Government has taken the action it has with regard to sports, that already we are seeing a difference with the court records as far as crime in that area. This is a great achievement. This is what we were hoping would become of this. It is working, and we pray to God that it will continue to show a change in that direction.

When I visited the Lighthouse School a teacher pointed out a young man to me who had been in problems many times. Out of the blue he had approached her and asked if he could come by and assist at the school. This young man was well dressed, white shirt and necktie. He came and volunteered his services. All of us MLAs who were visiting there congratulated him and encouraged him to continue. This is the sort of thing we need, rather than having

these individuals transported from a court house to Northward. If we can have them in society where they rightfully belong, then we are talking of building a good community. Failing that, it is going to be the reverse - we are going to be building more criminals.

With our history here in the Cayman Islands, we have lived too good for too long to allow this to happen. We constantly talk of building on foundations laid down by our forefathers. While if we check those records we will find that they were good records, we never heard of drug trade, drug trafficking and all of the ills that go with it.

What has brought it on? My firm belief is that we have a generation in this country today who, because of not having sufficient things to do such as I have mentioned, and, of course, lacking in proper guidance, they got off on the wrong track and ended up in some cases very, very bad off. It hurts my heart. Even in my age group, persons who grew up with me who were brighter than myself and others... today when I look at them it really makes me wonder. I thank God that I, a one-parent child, had the strong guidance of a good mother. In some cases it goes further than that, because I have seen children with both parents who still fall along the way.

As far as I am concerned, whatever we do, Cayman Brac and Little Cayman, West Bay, North Side, East End and George Town, Savannah, Bodden Town, whatever part of this island where we spend money to develop proper sporting facilities, I say it is money well spent. We only need to continue to try to keep it instilled in the minds of our young people that the facilities are there and we must continue to use them. The facilities, without proper guidance still would not work. Thank God, it seems as if in every case that I have heard about, the guidance is there and the young people are doing well.

I would like to encourage the Minister, who has been ridiculed so many times because of sports in the Cayman Islands, to continue what he is doing. Let us continue to look after the needs of the young people in this country and try whenever possible to encourage them to be good citizens. Let us try to make sure that it is nipped in the bud before it goes too far.

In many districts there is a move to renovate Town Halls and to develop proper libraries. Let me say that this is most important. One only needs to speak to a child who does a lot of reading versus one who does very little, and you will immediately be able to tell the difference in intelligence. Encouraging our children to read more and promoting it through constructing proper facilities in the districts is most important.

A long time ago we heard about the public library here in George Town. I knew that when I wanted a book to read as a child in school, that I had to get off the bus and go to the library here and rent a book. I did so. But there were many who did not think about spending the time to do that. If we are reaching out to them in the respective districts, I believe that this will be money well spent. We will be assisting the children to assist themselves. I commend this move and, as I have given the Minister the assurance, in my district I will do whatever possible to make it become a reality.

I also have to touch on the Old People's Home in my district. Again, responsibility for this is under the same Ministry. Just to give a little history on that home, the old building in which it is now housed was an old abandoned

teacher's cottage. A lot of people thought I was just having a brain storm and that it would be money wasted. Let me say that that little facility has housed many, and is still housing them, in their later years. It is an example to any other district as to what should be done to take care of this calibre of person in their last years. We have had persons in there from all over, and the district continues (whenever it is possible) to open its arms to its neighbours and friends who need the use of that facility.

I try to go there as much as possible, especially on weekends to see exactly how it is going. But I am now to the point where I am concerned about the size of it, and I am going to try to extend it because I think it has proven to us that it is necessary and needed. My district continues to grow and all of us become a day older each day. One of these days some of us may be sitting on the porch sharing stories. I believe in preparing for the future and I know I have the support of the Minister responsible. He is a person like myself, especially concerned for the less fortunate.

I would like to touch on the Water Authority. For many years now my district has generously supplied other parts of the island with water from the main reservoir on the island. The Minister has given me the assurance that he will work along with me to get piped water to my district.

It is very encouraging to see from the Governor's Throne Speech that 1996 is the year. We have the supply here and I know that we have been able to have the water trucked from the reservoir to the district, but I think the time has come that it should be piped in and instead of someone having to pump water into cisterns, we should be able to operate like other places and just turn the tap on in our houses. The people of my district will greatly appreciate this. I urge the Minister responsible to try his endeavours to push it as fast as is humanly possible.

This brings me to the end of my debate on the Governor's Throne Speech. I would again like to state that we are in this Honourable House for the same reason, to represent our country and our people. I would like to encourage all of us, especially in the upcoming general election, regardless of what side we may be on, to remember that it is the same country we are trying to represent and let us try to do our campaigning in an orderly fashion. I think we are all grown men and women and we should be able to conduct ourselves accordingly.

I would like to pay a special tribute to you, Madam Speaker. You have been so patient in that Chair with all of us at times. As a lady you have been doing a fantastic job keeping order among us men. Thus far, the three ladies have been behaving themselves well.

I would also like to say to the Clerk and her staff that they continue to do a good job. As I have said more than once, in any way that I can offer my support to them I will continue to do so.

With those words, I would once again like to thank the Members of the House for listening and to you, Madam Speaker, for keeping law and order as we go along.

Thank you.

The Speaker: The Honourable Second Official Member responsible for Legal Administration.

Hon. Richard H. Coles: Thank you, Madam Speaker.

It is not usual for Official Members, perhaps recently, to make a contribution to the Throne Speech, although I gather that in the past the Chief Secretary has done so where appropriate. Certain disparaging remarks have been made about department that fall under my responsibility, and I feel it would be remiss if I did not take this opportunity to address and answer them.

The Legal Department is staffed by qualified attorneys in whom I have the highest admiration. They work under enormous pressure, there is always more work than it is easy for them to deal with, and they carry out their duties admirably.

There has been a suggestion that the department has not succeeded in certain cases in the recent past. I conclude that those references are to civil cases (I am certainly not dealing with criminal cases), yet at the same time as that remark was made it was stated that these cases are under appeal. That really makes a nonsense of the remark because the whole point of an appeal procedure is to enable an unsuccessful litigant to take his case to a higher court in order (he hopes) to have the decision overturned, or reversed. So, no party to litigation has won or lost until that appeal procedure is finished with, or the person entitled to an appeal has decided not to do so. In the instances in question, that appeal procedure is far from finished; it is very premature to make any statement as to who has won and lost.

The other point I would like to make is that the Legal Department is the department of attorneys that deals with all cases on behalf of the Cayman Islands Government. The cases which we referred to were commenced by others against the Government, and the Government is therefore obliged to react to them. They were not initiated by Government. The Legal Department is in the position of being obligated to then represent the Government in those proceedings.

If I may say so, Madam Speaker, it is no more appropriate for the Legal Department to pick and choose which cases it chooses to deal with on behalf of Government than it is for a medical practitioner to pick and choose what treatment or what patients he treats on the basis that some may be more difficult to treat than others, and may, in fact, turn out to be incurable. Nobody would seek to put any blame on a person who carried out that obligation properly. The Legal Department is under an obligation to deal with whatever cases are brought against Government, and it does so quite properly and quite professionally.

I wish to place on record my full support for the attorneys and Crown Counsel in the Legal Department and I welcome this opportunity to publicly endorse their work.

The Cayman Islands Law School was also mentioned in what I considered a very strange remark, that in some way the people regard the qualifications given by the Cayman Islands Law School as being inferior. I cannot believe that that is really true, and I am truly horrified if people do feel that.

The Cayman Islands Law School awards its degrees (which are now honours degrees) in affiliation with the University of Liverpool in England. Those degrees are every bit as hard, and carry exactly the same weight, as degrees awarded by that University itself in England. This is no second class degree awarded by the Cayman Islands Law School. It is an honours degree and it has to be truly earned - and it is.

It is a respected qualification, not just in the Cayman Islands, but overseas. In fact, students who pass the exams here

in Cayman and who are awarded an honours degree can use that, and are entitled to go to England to take the Professional Practise Course there which then entitles them to be called to the Bar of England and Wales or, after a period of articles, to be admitted as solicitors.

There is no requirement to take any further qualification. The degree that they obtain here is all that is required to gain entry into the Professional Practise Course; as it does here in Cayman, where those who attain the degree can, if they wish, go on to take the Professional Practise Course, serve a period of articles and then be admitted as attorneys, provided, of course, that they are Caymanians.

The Cayman Islands Law School has been particularly successful in recent years and, although I have given these statistics to questions in the past, it does not hurt to say them again. In 1995, there were 10 successful candidates who passed the honours degree examination, and one who passed the ordinary degree which has, in fact, been phased out. Of those, three passed with a 2-1 degree, that is a second class honours degree and those degrees are not easy to achieve. For three of our students to get a 2-1, I think is a tremendous compliment to their hard work and to the quality of the Cayman Islands Law School.

That is borne out by the number of enrollments that we now have for the Law School. Nothing succeeds like success. If you are being successful and if the students of your academic institute are successful then, of course, other people want to join. That is exactly the case now. We had a record enrollment in the Cayman Islands Law School for the academic year 1995/1996 of 56 students which is not far off the capacity of the Law School at the present time.

So, I would submit that that goes to show very clearly that people regard the qualification that is obtained at the Cayman Islands Law School as a very important qualification; and that the students who attain it show their academic worth.

I may say that it is also borne out by the fact that the attorneys who qualify at the Cayman Islands Law School are able to find employment here in the Cayman Islands either with the Cayman Islands Government or in the private sector. Indeed, attorneys who have started their professional employment in the Cayman Islands Government have on occasion moved over to the private sector. I think that shows that the private sector is just as impressed with the students and the attorneys who come through this programme as the Government is.

I would like to give my appreciation to the lecturers and staff at the Cayman Islands Law School and to repeat my congratulations to those students who get through these very arduous exams and go on to start their professional career.

That is all I really have to contribute to the debate on the Throne Speech. I just wanted to deal with two of the departments under my Portfolio that had suffered some criticism. I hope that I have been able to do so.

Thank you.

The Speaker: Before I ask the Mover to wind up the debate, proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.27 AM

PROCEEDINGS RESUMED AT NOON

The Speaker: Please be seated.

The Honourable Minister responsible for Education and Planning winding up the debate.

Hon. Truman M. Boddan: I would like to begin by thanking His Excellency the Governor for his very clear and unequivocal Throne Speech. We have a very able Governor with extensive experience in business to guide the Cayman Islands. He has my full support, and I believe the full support of this House, and the support of his Government.

I believe that the introduction made by the Governor has brought out clearly that for these islands to continue to develop there has to be a partnership between the private sector and Government. As he has quite rightly stated, it is the duty of Government to "...maintain law and order to ensure care for all and offer education and training for the people." He went on to say, however, that the public has to take responsibility for their share as our forefathers did in the past, assisting Government and the islands to progress.

I intend to go reasonably quickly because I believe the public has spent a long period attempting to listen to this. I would like to begin with the Judiciary and to state that we have a very good Judiciary which is very ably staffed. We have good Judges, Magistrates and a good staff. But it is now critical that we get a new extension to the Courts building. At times we have six courts operating in a building that was built to house only two. The bringing in of the new Grand Court Rules has helped the Courts considerably and also the legal practitioners.

On Internal and External Affairs: The Police, especially with our new Police Commissioner, are doing a very good job. They are subject to criticism at times, but that is the nature of police work. They have a very difficult task. At times the police make decisions in split seconds. It is easy in court to take days analysing and pointing fingers saying that they were wrong, but I think that all-in-all we have to appreciate the difficulty and also the risk that the police take in their position of dealing with law and order.

I am happy to see they have issued a letter in relation to public order at public meetings, and I will be dealing with that in some depth at a later stage.

The Prison Department: Compulsory drug counselling and education is something that I think will assist inmates considerably.

On Immigration: We have a very good Immigration Board. It continues to function well and the areas in which I think we have problems deal with the administration side, not the Immigration Board. I, too, join Members in saying that I would like to see better enforcement. I would like to know more clearly who is here and who is overstaying. This cannot come about unless the proper computer systems are in place and what I call the aging reports (what I will deal with in depth under Planning), where applications can be traced to see where the hold up is from the time the letter comes in to the time a decision is made by the Board, or the Immigration Office. I would like to see that in several departments where I think it would assist. I know, however, that the First Official Member is working very hard towards this, and I merely say it as part of what he is now doing that I think is along the right line. But Immigration is controversial and it always will be. Its enforcement is critical to the future of these islands.

Broadcasting and Information: I know that Radio Cayman has had its problems in recent years in getting its share of

advertising. I worked with the Director for the short period it was in my Ministry, and I attempted to assist as much as I could there. It is a difficult task with some 30-odd people after the same advertising dollar.

District Administration: At the meeting we had in Cayman Brac, the clear message His Excellency and other Members got is that it must be a matter for the people of Cayman Brac and Little Cayman to decide what they want. Once they decide exactly what they want and where they wish to go in the future, it is the duty of Government to assist them. I know that the First Elected Member for Cayman Brac and Little Cayman has steered those islands in the right direction (in his good captain's way). He has been able to stay calm and guide Cayman Brac and Little Cayman in the right direction in the middle of a lot of controversy stirred up by the Second Elected Member for Cayman Brac and Little Cayman. If a future Member for those two islands would like to see how they can get the best for the country, just watch him. He is the best example (of anyone I have ever seen) of someone able, regardless of whether he is regarded as independent or favouring one side or the other, to get things done in Cayman Brac and Little Cayman.

Miss Juliana O'Connor has worked very hard. She is very compatible with the First Elected Member for Cayman Brac and Little Cayman, and I merely express a hope that in the next House we will see these two Members filling those chairs: one with the return of the First Elected Member for Cayman Brac and Little Cayman (who is over-capable) and, secondly, at the abandoned chair left by the Second Elected Member for Cayman Brac and Little Cayman. He abandoned those islands long ago anyhow, so I think it is time for the chair to be filled by someone who can assist the First Elected Member. I am sure that it will be Miss Juliana O'Connor.

Cayman Airways gets blamed for never doing enough. I know that we have to strive to do more and more. We will continue to do that on the airline services, but it is difficult. We have two jets and more flights in there now than when Cayman Airways had five jets.

I really believe that there is much more than just airline flights behind Little Cayman's progress because Cayman Airways does not fly in there. I really believe there has to be some other ingredient. I stress that there has to be some ingredient other than Cayman Airways flying in there at whatever times would be better, because Little Cayman has progressed and Cayman Airways does not fly there. In fact, the passengers coming in on Cayman Airways at night have to take a further flight to get to Little Cayman.

My duty, and the duty of Government (especially as stated by the Governor recently), is to assist Cayman Brac and the First Elected Member for Cayman Brac and Little Cayman in getting what he has struggled for over many years to get for his islands.

To just deal with one statement that was made by the Second Elected Member for Cayman Brac and Little Cayman, that Cayman Brac was being treated as an outsider.... That was not by Government. All I can say is that that Honourable Member is the outsider to Cayman Brac and Little Cayman. If anyone is treating them like an outsider, then it is that Member who is doing so. I pledge to work as hard as I can to assist with the building of Cayman Brac and Little Cayman.

I would like to go on to deal with my own district before going on to deal with other areas.

There comes the usual question that was so prominent in every other election, and that is where you had people in this Honourable House who did nothing; who forgot about the little man, who (now that election time is near) are out talking about the little man and what they are going to do for the little man. Well, I can assure you that George Town has got a lot done in the past few years.

I would like to deal with two specific areas which have been raised (and under Education I will deal with the George Town Primary School). In the area of roads we have seen (and I will only deal with one year because there has been a considerable amount each year) the following roads done. I would like to only deal with the detail of 1995, because I do not want to be in here all day. I would like to touch on some of the major areas of 1993 and 1994.

In 1993 Thomas Russell Way was raised and rebuilt; the third lane of the West Bay Road was hot mixed from Sleep Inn down to the Treasure Island Resort; the Thomas Russell Way Taxi carpark and road to it was completed; Seymour Drive and parts of North Sound Road were rebuilt; shoulders in South Sound; the North Church Street shoulders at English Shop were rebuilt; Walkers Road had Phase I re-sealing, with shoulders on North Church Street upgraded. Dorcy Drive and the Port Authority were repaired.

In 1994 there was the Crewe Road re-alignment at the Airport - an extremely good road which cost a lot more than was estimated, unfortunately, but that is now a bit of history; Crewe Road from the Lion's Centre there was a hot-mix overlay which is very good; there were sidewalks built and the repair of the Middle School Road at the Catholic School area going into the Middle School. South Sound Road had re-sealing in the Smith Cove area; North Church Street shoulders from Mary to Bodden Streets were completed. The Middle School Dyke Road was marl based; the West Bay Road and the Palm Heights corner; Eastern Avenue was re-sealed in Phase I.

In 1995 the major job areas dealt with were as follows: Dorcy Drive and the Port container junction was started 27th June, finished 27th August. I would like Honourable Members to know that I have a lot of detail here, but I do not propose to give that detail, just to show what has been done.

The Primary School west car-park modification; Middle School Road, parts of the sidewalk and shoulders were completed. There was soil testing and a study done in relation to the Harquail Bypass; Eastern Avenue and South Church Street had a second applications. Eastern Avenue/Nixon Road signal lights have been ordered and a parcel purchased to deal with that corner. That is slated to be dealt with this year. Washington Avenue area, re-sealing; in another area the road was raised and rain wells were installed. I have the parcel numbers of these areas, for example: drain and shoulder areas were repaired in 13D 106 and 169, opposite Batabano Road. We extended a 30 foot road in the Washington Road area. There needs to be further work in some of these areas, but I am pointing out how much has been done because Mr. Linford Pierson and his... I do not know what to call them, the Wight brothers... have been going along with some of the people who are trying to tear down George Town and, obviously, to get back they are using this for political purposes.

Vernice and Irene Road in Templeton Pines was done; Truman Myles Road was sealed, both sides of the 'Y'; West Bay, third lane shoulder was also worked on. Some

island markings at new Crewe Road and Smith Road were raised.

Major maintenance work: Crewe Road hot-mix patch on Eastern Avenue/North Sound Way. Maintenance on Andrew Drive, repairs and construction; Crewe Road shoulders at the Airport; Crewe Road shoulders at South Sound to Durty Reids, that strip that gives the third lane coming down into town; Crewe Road shoulders South Sound to Red Bay School. Reconstructed Palmdale in the Crewe Road area; maintenance on the Queen's Court area at Sleep Inn; the road in Biggy's subdivision, storm repairs were done. Smith Road at the Pines Road junction; South Sound swamp drainage was dealt with; George Town Primary School playfield fence corner; Crewe Road hot-mix patch Eastern to North Sound Way.

Minor jobs: Cricket pitch; marl patch carpark (these are all roads, so even though I am not referring to roads sometimes it is the roads opposite these areas). Marl patch in Omega Gardens; marl patch at the Bird Sanctuary Road; marl patching Crewe Road bypass; at English Point there was some clean-up; also at the carpark in George Town at the Library; the minor repairs to the Agricultural Building carpark; removal of the cattle dip and clean-up in that area. Marl was put in the Crewe Road bypass dyke road; also drainage channels clean-up along several areas.

There was trimming of trees along the road, maintenance of the road at the hospital; maintenance in the area of the Roxanne Road.

In George Town 20 new wells were put in for drainage purposes in 1995. So, a lot has been done. A lot needs to be done, but I would like to show those who are levelling the criticism where we stood in late 1992 and 1993.

In the Auditor General's Report of 1991 (during the Government of Mr. Linford Pierson and Mr. Ezzard Miller) it says under Expenditure and Road Maintenance and Road Construction: **"No precise figures currently available, but it is estimated by the Public Works Department that as much as \$25 million over the next five to 10 years will be required to be spent on road maintenance representing over 100 miles of roads that will need urgent attention. Therefore, based on a 10 year period, the Government would have to spend an average of \$2.5 million per year, which is nearly 400% more per year than actually spent in 1991."** (page24).

On page 25 the Auditor General said this: **"The following observations and findings resulted from my officers' broad review of public road maintenance and construction. The last major road improvement project undertaken by the Government was in the mid-1970s with work extending into the 1980s."** Everybody knows that was the Government of Mr. Jim Bodden, Mr. Haig Bodden, Mr. John McLean and Capt. Charles Kirkconnell. During those eight years the last major road improvements were done. So what had happened was that for the previous eight years to 1992 nothing had been done on repairs. One or two major roads had been built - very short roads, like the Dr. Roy pass up here which was needed, but, once again, that little piece of road cost \$1 million. So the criticism in regard to the Airport... if the cost had been the same as for the road going by the Jennett Building, we would have only had the two bends in Crewe Road and nothing else.

At page 25, the Auditor General said: **"The last major road improvement project undertaken by the Government was in the mid-1970s with work extending into**

the 1 980s. This involved the reconstruction and resurfacing of much of Grand Cayman's roads."

In that report he went on to say that at that time they estimated it would have taken \$10 million to deal with road repairs. So for the eight years that Mr. Linford Pierson, Mr. Ezzard Miller and those were in the Government, they did nothing in relation to those repairs. When we took over Public Works estimated that no major repairs had been done, and \$10 million of maintenance was left to be done.

We have done a lot of this, but you cannot expect in the three years that have gone by to deal with what has not been done in the past eight years. We had a programme during the 1976-1 984 Governments in which we did a certain amount of extension to roads and new roads every year, but we did the maintenance, It is clearly brought out in the different Auditor Generals' Reports that the only thing that was being done at that stage (if at all) was to draw up elaborate plans, like the Master Ground Transportation Plan. People do not drive on plans, they drive on roads. In the meantime the roads deteriorated.

My question is very simply this: What has the previous Government done in relation to roads except to leave a legacy of pot holes that it will probably take two Governments' period to clear off? There has been nothing done for maintenance and no major project, as the Auditor General pointed out, on roads in the past eight years before the Government took over.

This year there is a programme on roads in place and we hope... and I know the Honourable Member for Communications and Works dealt with this so I do not propose to go over them, only to say that our plan is one which is joint - the Fourth Elected Member for George Town, as well as the other two Members in George Town all go out together and look at roads. We all endeavour as much as we can to get the roads repaired and to do as much as we can. All I can say is that the Fourth Elected Member for George Town is in the same boat as I and the other two Elected Members are. So, if Mr. Linford Pierson chooses to criticise and say that nothing much has been done in George Town, then it is very obvious that his criticism does not just fall on me, it falls on others, including his colleague.

The street lights being put in George Town is another area where we can show what has been done. I take my hat off to the Honourable Minister for Communication and Works. I know that he has a difficult job trying to deal with all of the requests put in by all the Members and Ministers because everyone wants theirs to be done first. I must say that this year I too have joined in some fairly serious pressing to get a few areas done where I think we need lights. I have done it in the past, but not quite as forcefully as now.

He has put in 134 of the mainly 400 watt lights in George Town. George Town is lit up. Crime is down as a result of that. I thank him very much. I know that this was probably meant to be so, but I always heard that you could do 99 things right and if you did not do that 100th thing you would get criticised. Well, he did 134 right, he forgot one and somebody took the Mickey out of him. All I would say is that it was done with good intentions. I am sure that he will get some further lights for us in George Town.

When you look at some of the things that were done in the past, presumably for George Town, you wonder who they were done for. For example, we see that one of the prime pieces of property in George Town, the property that Government owns which is leased to SafeHaven,... Let me say that I fully support developers coming here and being

reasonable and fair. I will deal with that at a later stage. What I am saying has nothing to do with SafeHaven Limited. That property, which would have come back to our children, was increased from 50-odd years to 99 years. The Public Accounts Committee of 1992 stated: **"In these circumstances, the Committee was surprised to note that negotiations with SafeHaven's representatives were conducted within a period of two hours."**

What really happened was that for \$1 million down and \$1 million over 10 years without interest - and I point that out, *without interest* - that property was put back to 99 years. My personal view is that Government's properties, Government's leases and any increasing of Government's leases on major properties, should be controlled by legislation that is updated and which would only pass if a majority of Members of this Honourable House agreed to it. Normally this has to happen because it comes to Finance Committee, but this was a very good example because these were the days when Finance Committee was called at very short notice. It was kept in secret, nobody knew what was going on until it finished and we had deals like this struck by Mr. Linford Pierson in two hours.

If they want to find out what was done during the last Government's time, this is one of the things. The other one was the Campbell Building. I do not intend to read from the Public Accounts Committee's Report, or from the Auditor General's Report, but we know that cost \$200 per square foot - \$200 CI per square foot, twice as much as building a new building at the time. Did it go through Public Tenders and that sort of thing? At a later stage I am going to show the way the previous Government operated in relation to public tenders because it is an important part of the control of the finances of this country.

I pose the question to Mr. Linford Pierson and his struggling supporters out there: What has he done for George Town in the last four years? In fact, he has not even been here, he has been contributing to the economy of Hong Kong. That is where he has been for a considerable amount of time.

What I will go on to is relevant, because in the Throne Speech the Governor stated in relation to public order... and these are things that were raised at the meeting when the Wight brothers (and I refer to the twins when I say that because I have respect or Mr. and Mrs. Wight and the rest of the family, but like everything else, not everyone turns out like you want them to be). I would really like to know what has been done for the little man by him in the past four years during the time he was still in Cayman.

I would now like to go on fairly quickly to deal with a few other areas in the Throne Speech that are not under my Ministry.

I believe that the Legislative Assembly is very competently run. We know it is very ably presided over by you, Madam Speaker. I think you continue to have the compliments of all of us within this Honourable House. I will be speaking at the end in relation to that, but there was a matter raised by the First Elected Member for Bodden Town relating to the changing of the Standing Orders. I would like to put our side of the way we see things.

The Standing Orders have nothing in them that says we should only put a reasonable amount of questions. I have been bombarded with them, sometimes into the 30s of questions per session in which my staff waste day, after day, after

day preparing answers. Some are relevant, some are what I would refer to from the Department's and Ministry's point of view as time-consuming nuisance questions - like, how many passengers did Cayman Airways carry in 10 years? That takes a lot of time. We have to remember that this is the public's money being spent on these questions. There is no restriction, Members can ask as many questions as they wish. They can only get a certain amount answered each day, but let us look at what has been levelled about the three month time for bills.

Motions can be more important than bills at times. Only 21 - not even 21 days now, I think motions can be brought on the five clear day principle. When you have a motion that is a motion of no confidence in this Honourable House, that is the most serious measure that can ever come before a Legislative Assembly. It is a type of motion that topples a Government. It brings a country to a screeching halt politically. There is nothing there where the Opposition gave us three months. It should be six months on a motion of that sort.

When these questions are too long and too difficult I think much more time should be given so that the staff in the departments are not disrupted because they have to leave everything to try to get on with answering the questions right away.

When we look back at Motion 3/90 (which I will deal with later on) and some of the other changes, we see that where you have the allegations of waiving of Standing Orders... ask the public who waives the Standing Orders literally every day when this House is sitting. It is the Opposition now. It is just that the Government did it before to allow them to ask questions beyond the one hour period. What I am saying is let us be fair about this. If Members are saying that there should be three months for every bill (which I know they are not saying, they say for minor bills it should be less), then for major motions why should it not be three months? A motion to censure and topple the Government, which would ultimately destroy the country because there would have to be elections within a period of three months or so... why not sufficient time for the Motions?

I have full faith and confidence in Mr. Russell and the United Kingdom Office. I fully support what he has done. It saves the Government a lot of money and he has helped the country considerably.

The Law School is very dear to me. I must say that I fully support what the Honourable Attorney General has said. The law degrees in this Law School are of a very high standing. They are honour degrees from the University in Liverpool and the University of Liverpool's standing is very high in the legal world. If anyone is criticising the Law School's degrees it has to be out of lack of knowledge of the standards there.

I also know that the Legal Department is one in which it is not an easy task to deal with. Law is not a precise science. It is not that one plus one equals two; opinions are given, attorneys give opinions, judges make opinions based on the opinions given by both sides. The judges' opinions are then looked at on appeal. It is really the opinion of the last appellate court that in the end determines what the results will be.

So the Honourable Attorney General and the Legal Department do have times when they will find that opinions that they hold - as in every case one lawyer's opinion is not

upheld by the judge - it is a question of adversarial litigation where one side succeeds and the other one does not.

I would ask that we bear that in mind also that the Honourable Attorney General has had a lot of staff changes in the Legislative Drafting Department and he gets as much pressure from us as anyone from time to time. But he does a good job and his Department does a good job. Not everybody is perfect. I give him and his Department as much support as I can. I believe that the crucial role in legislation drafting is one that at times requires extra staffing. I will always support him with that.

I would like to turn briefly to some areas of the Portfolio of Finance and Development. I heard between the questions and some of the debate what appeared to be antagonism against investors in this country. I should say serious criticism. But we have to remember that this country needs investors. We have to ensure that what they do is fair and reasonable. If they invest money, they expect a reasonable return. What is wrong, and what can only hurt the stability of this country, is when Members attack them unnecessarily on the floor of this House, which, in my view, we have seen this time and that is bad for the country.

Looking back, it was one of the tactics used in Caribbean socialism (speaking generally) to break down the then structure of society when it was going to be changed for the better. What did we get out of that? We got the attacks on investors. Investors withdrew from a lot of the Caribbean islands. The theory of socialism was that you take from the rich and give to the poor. What happened was that the investors left the country, the poor became a lot poorer and look at the Caribbean around us now where these attacks were made on investors in the name of democratic socialism or whatever. This should be a big enough example so that people in this country do not take that approach. We are a democratic, capitalist country. We must remain so if we are going to progress. With it must come a tolerance of investors who, like I said, are fair and reasonable.

I remember a speech at one of the Caribbean conferences held in Miami in which one of the country's ministers stated that tourism was bad for the country because it brought so many problems and ills to its people. I look back (that was maybe 10 or 12 years ago) at that country now and he, as well as his then Prime Minister, have had to admit that that was wrong.

I am saying that it is not that the country should just look at investors without any reasonable controls, but we must, in a democratic, capitalist country, be fair and reasonable to investors; encourage them in areas that help the country. Every time money is invested here... and we have to remember that those people did not make their money here, they bring it with them from another country and invest it here. We should endeavour to keep the good investments. If there is going to be attacks on them they do not have to take it; they will pick their money up as they have done in other Caribbean countries and go elsewhere. In the end, those countries' poor people got a lot poorer. Today, they look at us and say how right we were to remain a Crown Colony, how right we were to remain capitalists.

I call on Members here not to get into this name calling. There are times when criticism can be there and it can be reasonable but bear in mind where others have gotten in this socialist approach of simply grabbing from one group and trying to spread it to another. I believe that those in need

in this country have to be taken care of, but I believe that the Honourable Minister for Social Services has very ably dealt with that area. I will deal with that later, but I fully support him in those areas.

The Speaker: Would you take the suspension at this time?

Hon. Truman M. Bodden: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended until 2.30.

PROCEEDINGS SUSPENDED AT 12.53 PM

PROCEEDINGS RESUMED AT 2.33 PM

The Speaker: Please be seated.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker: Before the Honourable Minister continues his debate, I would like to welcome the students from the John Gray High School who are sitting in for some time. I hope that they will glean some information and be stirred by the proceedings.

The Honourable Minister responsible for Education and Planning, continuing.

Hon. Truman M. Bodden: Thank you, Madam Speaker. I, too, would like to add my words of thanks to the students for coming here, and I hope that they will find it interesting. It is here that the laws of the country are made, including the laws relating to schools and society in general.

I would now like to go on to Cayman Airways to deal generally with it and with some of the comments that have been made.

It is very clear that since the reorganisation and restructuring of Cayman Airways we have moved to a stage where the airline does have a future and, as this Honourable House can well see, I do not run here every few months for a few million dollars to bail Cayman Airways out as was done in the past.

The reduction in staff and routes and equipment (which went from five jets to two) was traumatic and difficult. I continue to thank the staff of Cayman Airways for seeing it through and staying with it during that time. There have now been three raises to staff, whereas in previous years there had been no salary raises at all. In fact, there had been reductions of some salaries.

We know that the loss of Cayman Airways reached an all time high in 1991 of \$14,310,056. That is a frightening sum for a country which had a national budget in the area of \$100 million. Each person in this country had to indirectly pay \$14 million for losses that had occurred. Indeed, over two and a half years some \$34.6 million were lost by Cayman Airways. If one thinks of it as to the amount of schools that could have been built, or the amount of roads which could have been paved, or applied to anything else, we would see the difference between capital expenditure and the profit and loss accounts showing losses of that amount (\$34.7 million). What do we have for it? Nothing!

The Manifesto of the National Team set out several objectives for Cayman Airways. These have in my opinion all been achieved, in fact, they have been exceeded. The first

objective stated that we believed that Cayman Airways should **"...consolidate and optimise its present position in terms of market share, load factor, revenues and costs. In pursuance of this strategy, every effort should be made to contain major financial and marketing exposures such as would be created by further fleet expansion..."** This has undoubtedly been done.

While our market share is somewhat less because we have two jets instead of five, at least we have brought the losses to within acceptable limits and with the subsidy in 1994 we actually made a profit of \$1.5 million.

"2. CAL should have followed ASI's recommendation and should now by legal means reduce its fleet back to three suitable jets at reasonable lease rates." We have reduced back to two because the study showed that to be the least cost stage. This House instructed me to reduce Cayman Airways to a least cost operation and that is what we have done. I have refused during the three years it has been under my responsibility and Ministry, to allow them to expand until I was satisfied that the consolidation had taken place and Cayman Airways had economically stabilised.

We are going into Orlando, but that route is one that I believe will be good for the country and that Cayman Airways has the capacity to do it and we will, in fact, contribute to the bottom line by going in there.

"3. Review CAL's routes where serious losses are made." This was done. We cut quite a few of them - New York, Turks and Caicos, Baltimore, and a lot of the ones that were expected to be brought in.

"4. Strengthen CAL's Board of Directors and set guidelines with accountability to the Member for Tourism who must account to the public for expenditure of public funds on CAL." This has been done and the guidelines of what the management can do - in fact, they are not guidelines, they are set rules - and what the Board can do and what the Government can do are very clear. For example, there can be no expansion of the routes or no purchase of jets unless the Government (this House, the Legislature) agrees to having that expenditure. It will, of necessity, require a guarantee.

"5. Abolish the Executive Committee as recommended by the consultants and reduce the Managing Director's powers and review this position." That has been done. The Managing Director's power has been considerably reduced from three years ago and is operating well.

"6. Institute better management, staff communication, participation and team work ethics and review CAL's reservations system." The restructuring of Cayman Airways has brought about better communication. There is considerably more team work. I think there could be more, but we have to appreciate that when the National Team came into power there was a lot of internal politics in Cayman Airways. A lot of that is now gone, and a lot of external politics has now gone. We are in a much better position staff-wise.

The reservation system has been reviewed once. In fact, it is undergoing a review again.

"7. Seek a legal solution in relation to the two 737-400s which Guinness Peat Aviation (GPA) has a right to return in 1994 for three years at a total lease cost of approximately US\$20 million." If this Honourable House remembers, there was a judgment in the United Kingdom for about \$6.5 million against Cayman Airways be-

cause it had broken the leases on two 737-400s. We managed to repay that - we had to, we had no choice. We were able to get out of any future commitment from the \$20 million of lease payments.

While I know this is history, it is clear that obligations such as that could have destroyed this country financially and brought it to its feet.

"8. In light of CAL's serious losses of US\$20.4 million for the two financial years, 1990 and 1991... take immediate action to reduce future losses." That has been done and I am happy to say that it has been well contained.

I should point out that the changing of two jets in one year is highly unusual. These are normally staggered so that one comes up every three years. In the 1994 and 1995 period we are going to see the impact of those two jets in one year which, unfortunately, has to be written out of profit and loss in the one year. They cost us in the area of close to \$3 million between the leasing of the jets and the necessary repairs and refurbishing before they are handed over.

I now know that much of Cayman Airways' losses... for example, in 1990 I think they changed nine jets in one year. That had to be extremely costly. I think that was the year of the \$14 million loss. Thank God we are buying one and we have leased the other for long term (there are about four years left to go). This will not recur. Any refurbishing we do on the one we bought will increase its value as an asset.

"9. Ensure that there are regular, practical flights to, from and between Cayman Brac and Little Cayman which are convenient." I spoke on that earlier. We have done all we can in that respect.

I believe that I can go out of office in due course with the satisfaction that I have done as much as I could. I believe that I have performed substantially what I promised in the Manifesto.

If we look back at some of the rash decisions made during that period leading up to what was actually the crisis period, where the Government had actually looked at closing Cayman Airways down in January 1993... I mean there was no question any longer of being prepared to accept that the country could afford to keep pumping \$10 million, \$12 million or \$14 million a year - every year - with the law suits, because we settled one with ILFC that had another 11 or 12 years left to run, on maybe \$100 million. We managed to settle that and get out of it.

In the *Caymanian Compass* of Wednesday, 2nd August, 1989, there was a statement in it to this effect: **"Speaking as a Member of ExCo and a professional accountant, Mr. Pierson said the deal is a good one."** It went on to say: **"The deal was too good to be true."** [which was the headline about the selling of the 727-200s] It goes on to say: **"An ExCo Member staunchly defended CAL, particularly the airline's right not to answer questions about its commercial operations and lease arrangements."** Even the very lease arrangements were not allowed out publicly because ExCo sat in secret.

We know the other phrase used about the selling of the 727-200s was the 'sweetheart deal'. I think the public must remember that because the sweetheart sure was not the public's pockets. They paid, and they paid, and they paid, and they are still paying on some of that because we have a \$20 million debt taken out to pay for a part of Cayman Airways' losses. I did not get any of that money for capital for the future. Even if I had been able to get \$5 million out of it we could have done wonders with Cayman Airways.

The sweetheart deals and these statements about the deal being a good one, and Mr. Linford being an accountant... I think this House and the public need to remember that was the quality of the single entry bookkeeping, as one Member mentioned, that went on at the time. When one pays that amount of money - when the public pays it - I think they should be constantly reminded of who caused it: Mr. Ezzard Miller, Mr. Linford Pierson.

The Second Elected Member for Cayman Brac and Little Cayman levelled the only criticism this time of any sort at Cayman Airways when he said that Cayman Airways was buying another old 737-200. He went on to talk about how we should have gotten the right kind of aircraft. That same theory was put forward... indeed, that same Member signed a Minority Report with me stating that we should have kept the 727-200s. He knew why we jointly signed that report. It was because of the new jets, the 737-400s, which were probably costing \$30 million to \$40 million in total, and we would have been paying in the area of \$3.6 million per year per jet. We could not afford that. I think everyone in these islands would like to have new jets, but the harsh reality is that we cannot afford them.

This is the difference in the National Team's view. We have business experience, we are not only experienced in Government, but in the running of good business - you do not spend more than you make.

He has practically no experience in business so he may feel that a decision to buy more jets is good. But the country cannot afford it. If Cayman Airways lost \$14 million when they followed that theory and bought new jets, I assure you they are going to lose a lot more than that today if they buy new jets. It is a matter of business practice, a matter of preserving the public's money and trying to conserve. The jets are good, they are safe. We are now buying one and, hopefully, we will be able to buy the second one, as His Excellency said in his Throne Speech, because I believe that makes sense.

In fact, it was Mr. Haig and I along with the then Financial Secretary, Sir Vassel, who went to Costa Rica to negotiate the purchase of the 60% shares in Cayman Airways which was really the beginning of Cayman Airways as we know it. In fact, Mr. Haig was one of the first Directors under that new structured company and he voted for all of what Cayman Airways got in Finance Committee over the many years.

That is why it hurt me to know that Capt. Miller refused to fly over as requested by Mr. Haig's family at his funeral, because he had done so much for Cayman Airways. I was happy to see yesterday that Cayman Airways did fly over for someone else who contributed so much to this country in many areas. That was ever so evident at Capt. Keith Tibbetts' funeral. I had the pleasure of working with him in this Honourable House for four years. It was perhaps the one time - because I rarely get angry, I am a very calm person - that I was extremely hurt and angry. I will admit that, because I missed a considerable part of Mr. Haig's funeral trying to get the Captain to leave the plane to have the manners to speak to me by telephone.

However, I had to think about this over a period of time. I decided that whatever happened there internally must follow the proper course. That is now over and it has followed the proper course. If ever I was really tempted in my life to do something rash it was then. It really hurt me bad. I

merely pass it on, Madam Speaker, to say that Cayman Airways has gotten where it is because I have had the sense and business approach to know when I have a right to intervene and when not to intervene.

I believe that Cayman Airways has a good future. I have always supported it. I always will. I believe that it has contributed tremendously to this country. Even though there are going to be ups and downs, we have seen where Northwest has withdrawn one of its scheduled flights to Miami. Despite the difficulty of the airline business, if it is properly managed and watched, with the Minister understanding the parameters of what he can and cannot do, and if we just follow good business lines, then it will continue.

To be very frank, I do not see any one in the new political groups who has the experience to deal with Cayman Airways and keep it on its keel. As I said, the good accountant, the sweetheart deals, I think this country will never forget that because it will pay for another 15 years for that sweetheart deal.

I would now like to turn briefly to the Planning Department. I have only had this for a short period of time. During this time I have endeavoured to have the time in relation to planning applications reduced. That has been done. We have set up a tracking system with an aging part to that system so that I can know within a few days how long applications have been in. It traces it through from the time the application comes in until the final decision is given. This is needed in places like Immigration.

There are many problems remaining, but we are struggling to deal with them. I have always told the staff within my Departments that we are paid by the public so we must try to help the public. We must try to be positive. I find that many times negative approaches are taken when it is so simple to say yes. That has to be done within the law.

I think the approach has undoubtedly improved considerably, and I am much happier with the way that Planning has dealt with applications from the administrative side, and from referring.

We have got the Building Code out which I think was a major achievement. It sat there for some 10 or 12 years. When one or two of the present geniuses who are now running for election had Planning under them, they got nowhere with it. Also, we will be having the Planning guidelines coming out very shortly and also brochures which will explain the Planning process in certain areas.

We have also seen the appeals, which were backed up, brought up to date. Some of these extended back into the last Government's time and have now been dealt with. What is important for the public to understand is that unlike in the past, where an appeal could be filed and the grounds of appeal not given (and that holds up the process), that cannot now happen. If people file Planning appeals and they do not give the grounds, it goes before the Tribunal to be struck out. They then have to ask for an extension. If it is not extended, then their right of appeal is struck. We cannot have people filing appeals and not completing the process with the appeal remaining there for years.

I have already dealt with the Development Plan, only to say that in my short time in Planning I have propelled the process along towards a stage where it can ultimately come before this Honourable House. There have been many, many objections, some of them done in such a way that it has slowed down the process considerably. As soon

as the sittings of three tribunals finish I will then look at the assembling of this by the Central Planning Authority and will await their recommendation. I do not believe it will come in time to catch this Government's sitting of the Legislature. The new Minister of Planning, and if it is me (God's willing) I would be in a position to do all of the legal work, a package would be there and it would then be a matter to bring before this Honourable House.

A press release is coming out with the highlights of the Planning Report. In relation to anyone who thinks that a lot has not been done in George Town, I would like to state a few of these things: **"The number of applications granted Planning permission increased over 24% in 1995. A total of 834 applications were approved with a total value of over \$171 million. George Town was the site for 52% and also accounted for 63% of the total value of applications approved."** This is not happening by itself. The Government is creating a climate for this development to go on.

Moving to the Department of Agriculture, Environment, Communication and Works: I do not think it can be said often enough how very ably the Honourable Minister for Agriculture has managed his Ministry. He is a gentleman with a lot of experience. He first came into this Honourable House in 1976. I hope he does not mind my giving some dates here because he was extremely young at that time. So it has no imputation on his age. He was in his early 20s at that stage.

He has been a Minister for Agriculture now on two different occasions in Government with a total of eight years experience at the end of this term. I think the highlight was bringing back the Agricultural Show. I always enjoy taking my children there and seeing the different displays. Most important has been his support in dealing with the many requests for roads and lights and everything else that goes with it. He has responsibility for telecommunications, a very complex area. He has very ably dealt with it. For the first time we have seen something that if it saves one life will be worth it - the 9-1-1 system. It is very necessary and he has very ably brought this in.

He has the Post Office under him. There have been great strides under him. The problem, such as it may be, with the question of staff is not the Minister's responsibility nor that of any Member of this House, despite the fact that sometimes it seems that one of the Opposition Members does confuse that and tries to state that it is the Government. It is clearly the responsibility of the Governor and has nothing to do with the responsibility of the Ministers.

The Department of the Environment continues to function. I think it was very clear that there was consternation and confusion on the part of the critics relating to the marl when they heard the statement that there would be no more marl mining in the North Sound. That is one thing about His Excellency, he has the ability to put what he means very ably and clearly and it leaves no area for misunderstanding.

Moving on to deal with the Education part of my Ministry.... But before I do so, I would like to deal with one area that affects George Town. It is the fact that at a public meeting (reference was made to this in the Throne Speech, although not necessarily this meeting) that the Second and Third Elected Members for George Town and I had on the steps of the Court House we had the Wight twins with another four persons actually come up on the platform, take placards and hold them within a foot or two of us, and at one

stage actually spoke over the microphone. They also put their tape recorder on the podium where we were trying to speak and went on very loudly at times, in fact there were times when each one of us was stopped, our train of thought being broken, or they shouted us down. One of them kept referring (and I merely say it as a fact) to Mr. Linford, and the signs that they had dealt with things like 'nothing is done in George Town', and other things about dredging. We had to take the decision whether we would continue or not because it got to a stage where we could have been forced to shut down.

I had that in 1984 at an election campaign held at the Anderson Square Building where some of those same people came and shut down my public meeting. We are coming to the question of what I have heard kicked around in here about fear and threats and that sort of thing. Speaking generally, those people who interrupted our meeting, wrongly interrupted it. It is one thing for persons to stand in the audience and shout and say things. That is tolerable. But for them to actually come up and position themselves on each side of us, literally within touching distance of us, holding up placards and shouting 'he's wrong,'.... In fact, in my opinion (for what it is worth), it is unlawful.

I am happy to see that the police issued a warning on 11th March, 1996, where they reminded people that **"...disorderly behaviour likely to prevent or obstruct transaction of the business of the meeting, or the use of threatening, abusing or insulting words or gestures or behaviour with intent to provoke a breach of the peace and inciting others to do so are all offences under the Public Order Law."**

A letter was printed in the newspaper on 23rd February, 1996, purportedly signed by Mr. Linford Pierson and two others in which it said: **"Upon inquiring into this matter [meaning the problem we had at the meeting] we have been informed that the disturbance came about as a result of frustration over the general policies of this Government and, in particular, the approval in principle granted by Executive Council for the proposed massive dredging in the North Sound. They also felt that nothing had to date been done to benefit the people of George Town since the National Team Government came to power in 1992."**

As I said earlier, there are four Members in George Town. What I found most disturbing with this letter, and I attribute that aspect to one of these purported signatories (the one on the top) is that it attempts to give a reason to justify that type of behaviour. There is no justification in law for behaviour that is against the Public Order Law.

What would be very interesting, because it is already coming out, is that Mr. Linford Pierson is stating these very same things, 'nothing is being done in George Town', or the problems with dredging, or policies relating to the National Team Government. I would be naive to sit here and believe (and so would the public) that this attempt was something that was hatched up by those six people at that meeting. They are not that smart. Who signs the letters that are constantly attacking the George Town Members? One of the Wight twins - Chris Wight - who has been a staunch supporter of Mr. Linford Pierson for as long as I can remember. The letters coming out signed by him... I am not so naive to believe that he is writing them. He is not that smart.

The public must understand that the talk (which I am going to deal with a bit further on) by the Second Elected Member for Cayman Brac and Little Cayman where he (or one of the Members) talks about fear and violence and that sort of thing - and this has nothing to do with them, let me make that clear - is a type of political tactic that has been used in other islands. It ultimately destroys... it affects the people who cause this violence because the country will ultimately suffer because of a result of it.

Let me say this: I am smart enough, as is the public, to realise who the main person pushing in these areas is.

The schools: I am not going to attempt to cover a vast area here because this country and the parents and teachers and the public know that the school system is on a proper footing. There is proper planning and there is progress. If there was just my talk about progress that would be another thing, but look at the results in the exams. In the Caribbean Examinations Council Exams the best results in the whole of the Caribbean were in Cayman.

If you look at the GCSE results, they are very good. If you look at the schools, as some of the MLAs have from time to time, then I think you will see clearly that the schools are moving on. What is most important is that the planning process has involved the teachers, the parents and the public. When anyone (and that would be the First Elected Member for Bodden Town) picks and criticises the present strategic planning for education, they are criticising the 350 people who did it. I merely accepted it at the end of the day. The present plan for education has been put together by the parents, the teachers and the public of this country, and that cannot be wrong. I did not go through and change any of it. This thing was accepted literally in the form it came in. It is not my plan, it is a plan produced by the professional teachers and the public.

Turning specifically to the George Town Primary School, because there has been criticism levelled in quite a few areas. Let me just say that I think the public realises that National Team Members are basically independent and can say whatever they wish in this House. If it needs to be defended or corrected, I, too, have a right to make a reply to it.

I have tried harder... and I am sure that I have done more for George Town Primary School than any other Member who has had responsibility for it. I want to just take the time of the House to show what has been done in this short period since September when Miss Marie Martin became principal.

On the buildings: The screens have been installed in the bathrooms; there are new school signs; numbering of all classrooms has been completed; door handles installed; the library extension completed and fully air-conditioned; extra lighting in all classrooms. These may seem like little things, but a lot of lights have been put into those classrooms. New fans have been installed in rooms 14 and 19; rotten lumber replaced in Room 25; the hall in the Hearing Impaired Unit; drains have been re-drilled; guttering has been installed; a Teak that was in one of the rooms has been repaired and the roof; the provision of sand for the play area on the football field. This is now maintained weekly by the Sports Office. I will deal with that in depth further down.

Hockey players have removed utility poles from around the net ball courts. The area generally has been cleaned up and up-graded.

Yes, there are problems at times because we have people going there unlawfully causing malicious damage to property.

I do not want to go any further, but I have a list here of what has been done in all schools, especially what has been done in George Town. It will be seen that during the summer (I am only going to deal with a few of these because it is some 20-odd different things) the building of a low wall around shade trees for flower beds (these are little things, but important); lattice work by the office has been repaired; lights on the walkway have been fixed by the infants block; guttering and fascia board at the infant block; a new inlet for the water cooler. It is very clear that anyone talking about what has been done has not been going around the schools. There is no way that a Member sitting in this Honourable House can find out what is going on in the classrooms unless they go up there.

I am sure that the Fourth Elected Member for George Town (who is looking straight at me) knows that I invite MLAs to come to the George Town School. And we have visited it. I naturally did not invite the Third Elected Member for West Bay because this was George Town.

I think that the Minister for Sports has dealt fairly ably with that area.

I would like to thank the Cayman Ministers' Association for the support that they have given me most recently in relation to the problem with the Rastafarians, and also thank the United Church for the stand they have taken on ensuring that public order is properly maintained and that the elections are run properly.

I would now like to deal with the barrage of criticism that has been levelled at schools by the First Elected Member for Bodden Town. I must say that I would have thought that he would have had a better grasp of what was going on in the school system and would not have raised some of these things as he did.

For example, there are times when all Members are invited to the Lighthouse School. Some show up, some do not. There is no reason why an MLA should not know what is going on at the schools in Bodden Town or Savannah and be there. It is not a question of being hand fed from the Ministry. I guess what I should say is that it seems that the First Elected Member for Bodden Town has run out of positive things to say when I look at the Tong list of what he has raised.

What I do not follow is how, for example, the sewerage plant is going to distract from other buildings on Walker's Road. We have \$40 million invested in school buildings on that site and a sewerage treatment plant is needed to enhance that site. It is evidence of Government's good planning for the future, and it is necessary. It will be done in a way that will not detract, but will enhance.

This is the first time that the school system actually knows exactly where it is going. There is a detailed plan in place put together by 353 people - half of them professionals in education. In contrast to the 1991 Education Plan, it is so superior it makes the 1991 Plan appear to not even be a plan at all.

Let us look at the 1991 Plan. It consists of 15 pages and some appendices. They did it so quickly that some of this is actually handwritten. It is a plan that from 1991 until 1994 was only a plan - nothing under it had actually been done except in the last nine months when there was a move

which actually radically changed and totally disrupted the students and the school system in this country. It was in effect for three years and nothing of any consequence was done.

But the first thing that was supposed to have been done was to have the Education Department reorganised to deal with it. That was never done. They got around to stopping schools, they put the preschoolers in the Lighthouse School out in the streets because there were no pre-schools to take them at that time. What really was there was like the other plans that the Government of that day did. They were only plans: the Master Ground Transportation Plan, but nobody fixed the holes in the roads. There was an Education Plan with nothing being implemented.

That Education Plan has many good recommendations. This is the point I am coming to. It would have been far more constructive to have said that this plan failed because they did not have the ability to implement it in the areas where it was implementable. There were some areas of that plan that could not be implemented. Many of them, far more than a majority of the recommendations are actually incorporated in the new plan. But supporting it is 150 pages of action plans which actually set out what has to be done, who has to do it, and how much money it is going to cost. But that takes ability. To be frank, in their desperation to try to get something done, we had decisions being taken that did not even make sense. A year was added to the school system but nobody knew where it was. This is how bad it had reached. There was no precision. It was 17 pages.

The criticism that has been levelled, and I actually had staff go through and set out what was added into the new plan and what was not. But it would take a considerable length of time to move through it. Needless to say, for example, the reorganisation of the Education Department has been completed. There are posts to be filled. We do not appoint staff, it has to go through the Public Service Commission. In due course we will get those.

The criticism that was levelled was not supported with anything positive. This is where there is a difference between the people who do and the people who talk about it. I have always worked behind the scenes, but I get things done. I am not up front in the press as much as some of the other politicians. But I do my work, and I work hard. I can assure the public, as they know, their Education Plan that they have put together is good. It is sound, and the implementation of it has started. In fact, some 80-odd action plans are now moving on.

One of the major defects of the old 1991 Plan was the fact that it did not touch special education. Can you imagine something as important as that not being touched? There is a theory in many of the other Caribbean Islands that in this quest to create equality, which is what socialism is aimed at bringing about, that everyone is born substantially equal as far as their ability in school goes. They even take it that far. At the end of the day, we have children who need help. We have slow learners and we also have children who are very bright. They also need special help because they will burn out in a normal classroom unless they are given extra work to keep them interested in more advanced study areas or areas of interest.

We have now just gotten back a full report on special education and that will be part of the basis along the present education plan put together by the public to deal with

special education which is so important - the Lighthouse School, Sunrise School and the Special Education Unit.

If you want to look at fundamental gaps in a plan, I submit that is one. But it may well have seen the view at the time, because, as I say, in many islands they do not accept that these problems exist in the learning process and they leave everyone in the same classroom. At the end of the day we have some children who are very frustrated and burned out.

The First Elected Member for Bodden Town said: **"...because the Minister for Education threw that plan out. He destroyed it. Now we graduate 250. to 300 students per year from the Government High School. It was stated that last year of that 250 to 300, 17 had academic scholarships.**

"I am often described by that Minister as defunct, but I want to tell him something: If he had sought my advice, I could have told him that 17 out of 250 is not near a high enough percentage. There should have been about 20 to 30 of those students on academic scholarships from a good system. Of that 17, it is not clear how many, if any, came from private schools thus compounding the problem. [Hansard 29 February, 1996]

This could only come from a lack of listening, because it cannot come from a lack of knowledge. We had 31 scholarships approved, so we have exceeded the expectations of the First Elected Member for Bodden Town. He has admitted that there is a good school system.

In 1994, 39 scholarships were granted - twice the amount that the Member mentioned was granted in 1995. All I can say is that if he cannot see the positive things in the education system, if he is prepared to criticise the Education Development Plan 1995-1999 put together by the teachers and the public, then he had better watch out that the next shadow Minister for Education might not be another loser - the recently Team Cayman promoted candidate, Mr. Oswald Rankine. At least he is retired from the system.

Moving on, I want to touch on one other thing because the results in the schools are good and I do not think that I need to stand here and say this. The public is not going to accept what the First Elected Member for Bodden Town has stated about all of the faults and problems he has listed. In the Commonwealth Essay Competition, Cayman had 23 students commended, some highly commended.

The *Caymanian Compass* stated: **"The standard of musicianship among school children in Cayman is definitely above worldwide average."** Quoting from the Commonwealth Report: **"Just two failures out of 44 exams sat, Cayman's children have fewer failures and more merits than other candidates average worldwide", commented Mr. Frost, noting that about 100,000 children and adults took the Trinity College Music Exams every year."** Over and above that is the fact that the standard (and this was spread through Government and private schools) of the Education system is high.

I would like to deal with one other area in this, that relates to private schools. We have private schools now taking in one-third of the students in Cayman. We have compulsory education. Either Government has to school these children, and the cost to Government would be another \$8 million to \$9 million a year; or we can give grants (which we now do) in the area of \$75 million to recurrent expenditure. Anybody looking at it purely from the economic point of view

has got to realise that it is in the economic interest of this country to support private schools.

Why the Opposition Members oppose private schools is beyond me, because it is not good economics and it is not good democracy. I think that parents should have a choice. If they wish to send their children to a specific school, whether it is private, public or whatever, they should have a choice. It also keeps Government on its toes from the competitive edge which it provides.

I am happy to say that the vast strides that we have made, because Government always ensures that Government schools have what they need first, in what we have made in education has come about because we have taken the approach that private schools are good for the country.

Back when I first got into the Government in the 1970s, there was a document that had been signed by the previous Government that said if you sit Caribbean Examination Council Exams, you can sit no other exam. They were set on days so that you could not sit an exam from the United Kingdom. The mentality of the day - the socialist mentality - was that there should be the indoctrination of the nation in the very limited way that they saw fit. It cut out having competitive school exams. Not only in that area. The Law School was created because they also tried to do it in law. There was a document to that effect.

What I am coming to is this: there was a school of thought then that everything as far as possible should be Government run and Government controlled. What they did was take over private schools. Do you know what happened in the end? They destroyed the whole school system. Good private schools that were taken over by Governments back in the 1970s under the socialist policy were wrecked. Today they realise that they would have been much better off leaving private schools alone and having them function properly.

The allegations talked about elite schools. We hear it raising its head again. This was one of the basis on which they destroyed the private school system in other Caribbean islands and in the end the whole standard of education in the country dropped. It was destroyed.

What I am saying is that it is dangerous, very dangerous, to try to follow the system that has failed so miserably in the Caribbean and has left those countries destitute. Whereas, we have continued on because we have respected the church, because the church came under a lot of attacks in those days as well, not just the schools. We have to get away from causing problems and making allegations in relation to the private sector schools. I fully support them and I will do all I can, provided it is not to the detriment of the Government schools, to assist them.

Madam Speaker, ICCI performs a very important role in Cayman and I fully support it. I started again to give them their grant. I think there may have been a bit of confusion somewhere, but that will be cleared up, I can assure you. I also signed their certificate approving them as a school, so what was said in relation to them does not relate to me, it relates to the colleagues of the two Members, or the Member who was talking about it. They are the people who cut their grant for eight years and would not give them their school's certificate.

The Speaker: Would the Honourable Minister take a suspension at this time?

Hon. Truman M. Bodden: Yes.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 3.47 PM

PROCEEDINGS RESUMED AT 4.09 PM

The Speaker: Please be seated. The Honourable Minister responsible for Education and Planning, continuing.

Hon. Truman M. Bodden: Thank you, Madam Speaker.

Turning now to a lighter subject, even though there is one area in Education that I will deal with later on. The Currency Board and the Pensions Board are very important. They have very ably dealt with managing the currency and pensions. I, in fact we tried to get it into the Constitution that money for pensions could not be touched by politicians. I think this is still very important, that money relating to pensions for anyone (not just civil servants) should be isolated in such a way that it cannot be taken for other purposes. In too many countries we have seen this happen.

The Financial Services Supervision Department is extremely important. They are now branching out into new areas such as the stock exchange, and we will have a bill later on coming with that. This is providing the second largest amount of revenue to tourism.

The only thing I would say on the Treasury Department is that it would be good if some type of a system was put in there that dealt with applications when they come in and when they are finalised. For example, when somebody applies to get their deposit back from the Immigration, they put someone on a work permit, many times months and months go by. While it is in Government's (I should not say Government, because we do not do it, it is in the Treasury's interest to hold on to money as long as they can)... areas like that could be speeded up if a computer system was in place giving the date when the application was made and when it was finally dealt with.

I see a lot of smiles here, so I believe that everybody may have had that problem of trying to get money back out of Treasury once it is paid in.

What I even found more interesting (and this is my own personal view), I have stopped taking advances when traveling because when I get back it takes so long to get it reconciled, I cannot even remember what has gone on. That is just a joke.

Treasury generally does have a difficult task. It has competent people, but maybe it needs looking at in these areas. It is just a bad custom that has gone on where they are reluctant to let go of money.

The Third Official Member is reminding me that it is so hard to get it. I take his point there. They do process a large amount of transactions, so I appreciate the problem that they have.

One thing I wish them luck on is their centralising of debt collection. If they can find some system to get people to promptly pay their debts to Government, I think it will be the miracle of the century.

It is important because there is a fair amount of money outstanding. Most of it did not come during the time of this Government, but a qualified Fellow of Institute of

Credit Management or some other similar qualification should come in and organise the department and chase up the accounts early. What one does not get within the first 30 days is about 30% gone. When it stretches into 90 days, it goes up to 65% to 70% that you will never get. Some of that is statute barred going back 10 or 12 years.

The Fire Department, under the able Minister for Tourism, and Kirkland Nixon, continues to function very well. It has saved many lives over the past years and also provides a support at the airport in relation to Cayman Airways and the jets. I fully support the Minister's move to introduce the Fire Code which will be complementary to the Building Code. I will assist in any way that I can in that area.

The Port Authority is continuing on. I have only one area of caution with it. I understand that they are purchasing a crane. It would be very unfair (and I sure that will not arise) if they require ships that have cranes not to use their cranes, because at the end of the day the money is just going to be passed on to the public at large. They lift a container of potatoes and the extra amount goes on to that. I know the Minister is very wise and he will ensure that the Authority does what is fair and reasonable.

They continue to handle large amounts of cruise ship passengers. This is going to increase and I welcome the new watersports facility that is proposed. I think the development of the Port area is as important (and more important in many respects) than at the airport since it deals with a much larger number of passengers.

The Civil Aviation Authority I found to be one of the best organised departments that I have seen in Government. I am sure that that continues on. They have given Cayman Airways and the other airlines good services. The new expansions are very good. I believe that this will continue.

However, with the increase in passengers each year, there has to be constant expansion and updating of methods, which I am sure my able colleague is fully dealing with. It would be good if we could see something completed as far as a final decision in relation to the Little Cayman Airport. I think the safety there as in any airport is very important. I believe that we should endeavour to get whatever tests remain for the site to be completed and a decision made.

Sometimes we have interest groups who do not necessarily represent the majority of the people, but who are very vociferous. They have to be understood and listened to, but at the end of the day it is what the majority of the people of the Cayman Islands want that is important. When it comes to safety, the question of aesthetics or anything else should not even be considered if it affects the safety of lives. That is why I said earlier, if the 9-1-1 system saves one life it will have been worth the money and the effort that the Honourable Minister responsible for Agriculture, Environment, Communications and Works has put into it.

I will deal with Tourism at a later stage.

Moving on to the area of Community Development and Sports. The areas under culture are very important. I know that he has very ably continued supporting this area of his Ministry. He has the capable assistance of the Third Elected Member for George Town in the Library and the National Museum. I know he finds her support (as I have) to be very good. She is very capable. This most important area, the culture of the islands, has to reach a realistic stage

where we generate more and more toward what is Caymanian culture.

Sometimes (and I have been criticised for saying this) I have the feeling that what is labeled Caymanian culture is sometimes a bit foreign in some respects, or linked more to other Caribbean islands. The mixture of cultures is good, but I think when we look at putting on functions such as national festivals, that we do as much as we can to promote local culture. Indeed, the schools also have to play an important part. I know that the Honourable Minister fully supports and promotes the schools as the school children are involved in these many times.

The Development Board and the AIDB have been very ably covered by the Honourable Minister. I would like to leave the Water Authority for tomorrow because I have a few special things to say in that area.

I am happy to see the strides that have been made in the area of Social Services, the very bold and good moves that the Minister has made in these areas. I have always found Social Services to be one of the most difficult things that I had to deal with because it was extremely varied, very complex. Very often matters relate to a single person and it has to be looked at very subjectively and in relation to that person's position.

Government is committed to ensuring that those who are in need get that which is necessary.

Madam Speaker, I was just wondering if we are at the interruption stage?

The Speaker: We are actually five minutes away.

Hon. Truman M. Boddan: We have five?

The Speaker: My clock says five minutes.

Hon. Truman M. Boddan: After that trip (I have to say on Cayman Airways) to Cayman Brac from five in the morning until last night...

The Speaker: I have no objection if you would like to move the adjournment.

ADJOURNMENT

Hon. Truman M. Boddan: I move the adjournment of this Honourable House until Wednesday morning at 10 o'clock.

The Speaker: The question is that this Honourable House do now adjourn until 10 o'clock Wednesday morning.

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

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until Wednesday morning at 10 o'clock.

AT 4.25 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM, WEDNESDAY 20TH MARCH, 1996.

**EDITED
WEDNESDAY
20TH MARCH, 1996
10.07 AM**

The Speaker: I will ask the Member for North Side to say prayers.

PRAYERS

Mrs. Edna M. Moyle: Let us Pray.

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

Bless our Sovereign Lady Queen Elizabeth II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated. Proceedings are resumed. Administration of Oath of Affirmation to Mr. Donovan W. F. Ebanks, MBE, to be the Temporary Honourable First Official Member.

**ADMINISTRATION OF OATHS
OR AFFIRMATIONS**

(Affirmation Administered by the Clerk)

Mr. Donovan W. F. Ebanks, MBE

Hon. Donovan Ebanks: I, Donovan Ebanks, do solemnly and sincerely affirm and declare that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II her heirs and successors according to law.

The Speaker: Please take your seat. Once again, I welcome you on behalf of the House.

Government Business. The Honourable Minister responsible for Education and Planning, continuing the winding up on the debate of the Throne Speech.

GOVERNMENT BUSINESS

**DEBATE ON THE THRONE SPEECH DELIVERED BY HIS
EXCELLENCY MR. JOHN W. OWEN, MBE, GOVERNOR OF**

**THE CAYMAN ISLANDS, ON FRIDAY, 16TH FEBRUARY,
1996**

(Continuation of debate thereon)

Hon. Truman M. Bodden: Thank you, Madam Speaker.

I would like to begin this morning by dealing with the financial and economic position in the Cayman Islands at present.

Anyone in the islands now realises that this country is in an economic boom. It is not that it got there of its own accord, it took good governance over the last three years to pull the country out of the economic recession that we had slipped into during the period of the last government (1991-1992) as it moved down and things got worse. Not only did things get worse financially and economically in the island, but things got considerably worse inside of the Cayman Islands Government and its finances.

The situation was that there was a very rapid increase in the country's debt because the Government, in the last three years that they were in, did not have the contribution to Capital that was necessary to keep the country on a sound financial footing. If we look back at the accounts (and I am taking this from the Accountant General's Financial Summary) we will see that in the years immediately prior to the last Government that the revenue was in excess of the recurrent expenditure. Thus, with the exception of the years that the surplus from the previous governments was used, we saw a very rapid deterioration in the finances of the country. They moved from a situation where there was normally a surplus of between \$7 million to \$10 million (in other words they were making more money than they were spending on the recurrent side), to a situation where in 1990 the recurrent revenue was \$101.8 million and the recurrent and statutory expenditure had increased to \$103 million; in which year there was no money to contribute to Capital and, therefore, \$1.2 million was borrowed to pay for the loss on the recurrent side. This is very frightening because the Capital itself had to be financed out of the reserves that the country had, and through loans.

In the year 1990 they expended a further \$13.7 million on Capital, so the total loss for that year was \$14.9 million. That trend worsened in 1991 in the overall situation, even though in that year the recurrent revenue was \$113.2 million and the expenditure was \$111.4 million, leaving only \$1.8 million to be contributed to Capital Expenditure. However, Capital Expenditure was \$17.2 million. This, once again, was money that was taken, or borrowed, from earlier Governments' buildup of reserves.

In fact, in that year the loan was \$14.1 million, so we had a situation where the overall loss had considerably worsened from a loss of \$14.9 million to approximately \$15.4 million. To make things worse, in 1992 the country's recurrent revenue was \$121 million, but recurrent and statutory expenditure increased to \$124.6 million which meant they had to borrow \$3.6 million just to deal with salaries and the running of the Civil Service, the payments for statutory expenditure and interest.

In that year, despite the fact that there was no money out of recurrent revenue, they went ahead and spent \$18.1 million on Capital. We saw in 1992 the accumulated deficit rising to \$21.7 million.

What does this add up to? It adds up to the fact that if you are spending more than you are making, then you are headed into bankruptcy. It is impossible to continue this trend. That is, in my view, one of the compelling factors why the electorate in this country totally removed the three Executive Council Members who ran in the 1992 elections. They had taken over from a Government (comprised of Sir Vassel Johnson, the previous Financial Secretary; Capt. Charles Kirkconnell - two very good businessmen who had run the country well during that period) and ran the country into a stage where they had losses of some \$21.7 million in 1992 alone. This is frightening because we have to remember that simultaneously Cayman Airways was losing \$34.6 million in two and a half years. When you add it together, you are looking at nearly a \$60 million loss in a matter of three years. That is frightening, and the plans were already in place from the previous Government to borrow the \$20 million for Cayman Airways.

When we look at 1993 we see the beginning of the turn around in the country. Slowly, the turn was taking place because this Government, the National Team, knew that you cannot go on spending more than you are making, or one day reality comes back and you are bankrupt.

In 1993 the recurrent revenue was \$135.3 million and the recurrent and statutory expenditure remained the same at \$124.1 million. In fact, it was half a million dollars less than the previous year. We therefore had \$11.2 million to contribute to Capital. That is the first time since 1989 that there had been any significant contribution to Capital.

In that year the Cayman Airways loan for CI\$16.7 went through. Therefore, we had that which was brought into the accounts at the time, but it went to pay past debts. This was not Capitalisation as I mentioned earlier that we had put in place. In fact, the Motion was passed in June of 1992, but the loan could not be borrowed by Government.

When we got in, they would not lend us the money either. The banks wanted to see our budget. They wanted to see that we were going to take the necessary steps to correct the finances of the country, or we could not get the money. It was not until the summer after we had put in place the necessary checks and balances. In fact, I think it was nearly a year later that we were able to borrow the \$20 million US for Cayman Airways to pay the last Government's losses.

Another thing (and I will deal with this under another heading), Motion 3/90 had been reversed where a minority of four or five Elected Members along with the three Official Members could dictate the finances of this country. It is totally different now. It is a very vast majority of 10 Members on the Backbench and five Members of the Government.

At that time there were only four Elected Members of Executive Council, and eight on the Backbench. We know (and I will deal with that in some depth later on) the trend that we set, whereby our revenue was exceeding our expenditure as it did in that year by \$11.2 million, continued, in 1994 recurrent revenue was \$152.1 million and the expenditure was \$138.2 million, leaving a surplus of \$13.9 million.

I would like to use an example here. This was like taking money out of one's salary and paying a lump sum payment on a house. We were at that stage putting \$13.9 million to buy Capital - paying for roads, paying for schools, paying for whatever. This is a very important aspect because the country had, for the first time, seen a turn around in its finances.

In 1995 the contribution to Capital was estimated at \$17.2 million with recurrent revenue running \$171.9 million. Madam Speaker, what I have here dealt with the estimates then, but, as far as I know, they were substantially the same in the final accounts. So we had \$171.9 million in recurrent revenue, and recurrent and statutory expenditure was \$154.7 million

which gave \$17.2 million, or thereabout (somewhat less than that, I think \$14 million) contributed to Capital. It was a surplus, money that the country had made as a profit and then put back into Capital Expenditure.

This year there will be the same trend. We will make more money than we are spending on recurrent revenue.

What does this all add up to? We had the three years of constant spending. The last government's main role was to spend, and spend, and spend. Nobody paid any attention to trying to increase the revenue of the country, except (and I hope the country never forgets this) the \$10 million taxes put on by them shortly after they got in after the 1988 Election, and a further \$10 million in 1990 - \$20 million in taxes. Even with that, they showed shortfalls in their revenue. In other words, they made \$3 million less than they spent in the three years (1991-1992) and they proceeded to spend \$49 million on Capital Expenditure and that was either taken from the reserves or it was borrowed. The borrowings got quite heavy. As I said, in 1991 alone, the loan was \$14.1 million.

These people are coming back, that government, in the form of Mr. Ezzard Miller and Mr. Linford Pierson, telling this country that they can save them. They cannot help themselves, and they sure did not help this country financially in the four years they were in. Despite a boast that was made by Mr. Linford Pierson, who said, I am an accountant, and this is good for the country', or a good deal, or whatever, and he consistently said that he was an accountant. He knew better, but he (or the Government) went on a spending spree that bankrupted this country. I do not believe that the people of this country are prepared to put people of that sort back into this Executive Council because the trend is going to be repeated.

All that saved this country during the previous Government's four years is that they had a very heavy and well put together and organised Opposition that kept them from the excessive spending such as the \$200 million on the Master Ground Transportation Plan and the millions and millions of dollars that were wasted on contracts that did not go through the Tenders Committee (and I have a list of those that I will deal with under this).

What have we done for the country financially for the past three years? In 1993 we paid towards previous governments' debts \$9.58 million; in 1994 we paid \$8.85 million; in 1995 we paid \$15.40 million and this year (while I do not have the figure on that) it is probably going to be somewhere nearer to \$15 million, maybe \$12 or \$13 million. So, in three years we repaid nearly \$34 million on the past governments' debts. During that period, our borrowings were under \$10 million.

During that time as well, the National Team contributed about \$40 million to Capital. In other words, our surplus was approximately \$40 million that we put into Capital works - roads, schools, playfields, the infrastructure of the country. So, all in all, we can say that between the repayments and the loans in the three years, and the contributions to Capital, that we have seen some \$70-odd million to the good.

This is very important because the previous government in its three bad years, and in the year after the election (we were stuck with the previous years' government), they also had the previous years' governments' budget, so to speak, or projects to carry on. Other than where the government of 1984 to 1988 left the budget (and in that year, 1989, they did quite well because in 1988 the difference between the recurrent revenue and the expenditure was \$12.5 million) the last government (not the last government, the one before that of 1984 to 1988) actually left the country in very good shape. There are no two ways about it. They had two good businessmen as I mentioned earlier, an ex-Financial Secretary, and a former Executive Council Member, Capt. Charles. They had the country

on a good footing. The deterioration came in the last two years, extending over into the runoff of the following year of the previous government.

To do some of the major projects this year, there will have to be a limited amount of borrowing by the Government. We cannot get out of that. But out of this \$70 million that we have contributed at this stage, we have only borrowed under \$10 million. That is very important because the country is about \$60 million to the good at this time between the contribution of the \$33 or \$34 million to repayments of loans and the \$40 million of the surplus that we have made that has gone into the payment for Capital works.

Team Cayman produced what they called 'The Frightening Facts' in an advertisement in the *Caymanian Compass* that cost them obviously a lot of money. I want to just say this: When you find people (speaking generally now) with no apparent sizeable means of wealth, spending substantial sums of money (and am speaking generally), which obviously may not have come from their own sources, then it is obvious that it had to be raised through gifts from someone else, or through loans that they have borrowed. When I place ads in the paper I do not splurge, because I know the value of money. It is my money, that is the difference.

Speaking generally, the public needs to watch people (some without apparent jobs at the time) who will be coming up in this next election carefully - the very heavy expenditure, for example, on television ads. That is a lot of money. These are thousands and thousands of dollars that have to be paid out.

The same way that they take the gifts from other people and spend that money in a very generous way, I submit that those people should not be put in this Legislative Assembly because they are going to take the public's money and waste it the same way that they are wasting the gifts they have gotten for the upcoming elections.

Gifts do not come without conditions. If somebody gives \$10,000 to somebody, for example, it carries with it...

Mr. Gilbert A. McLean: Madam Speaker, on a point of order.

**POINT OF ORDER
(Relevance and False Imputation)**

The Speaker: May I hear the point of order, Second Elected Member for Cayman Brac and Little Cayman?

Mr. Gilbert A. McLean: On the matter of relevance, and also the matter of imputing that a declared political group, that is, Team Cayman, has accepted gifts which may be questionable. He is assessing how much Team Cayman apparently spent on certain ads. Perhaps he could tell the House how much it cost the Honourable Minister responsible for Community Development to be on the television 54 minutes...

The Speaker: Second Elected Member for Cayman Brac and Little Cayman...

Mr. Gilbert A. McLean: ...scandalising Mary Lawrence.

The Speaker: I am afraid that is not a point of order. Both of you will have to take this up in your election campaign. This is not for the House to be told about anything like that.

I would ask the Honourable Minister if he could proceed and try not to talk about assumptions of who may have received gifts or anything else. This should not be brought into the House at this time. It is not part of the Governor's Throne Speech.

Hon. Truman M. Bodden: I was very careful to say 'speaking generally'. If that honourable Member had been in the House he would have heard that. I did not impute anything to him, let me just say that.

The Speaker: I am aware of that, Honourable Minister. I made a note that you did say 'speaking generally': But you did say 'Team Cayman', and you did mention gifts of \$10,000, or whatever it was. Please avoid that in the future. Thank you.

Hon. Truman M. Bodden: Fair enough, Madam Speaker. If the hat fits, so be it.

The advertisement put out by Team Cayman called 'The Frightening Facts', covered four pages. They tried to frighten the country with the facts in that, of which some were fully erroneous. The Financial Secretary laid a paper on the Table of this House showing that what had been put in the advertisement by Team Cayman was incorrect. Instead of the debt increasing the way they had tried to show it, it had, in fact, actually gone down in the year they said it had increased by \$24.4 million.

This is what is frightening, Madam Speaker, about putting in people who will cause this type of frightening thing. Sure, what was put in that advertisement was frightening. But it was not true. The Honourable Financial Secretary laid on the Table of this House the truth. Instead of increasing by \$24 million, it had, in fact, gone down.

I am going to talk a bit about what is frightening, because this was also raised by the First Elected Member for Bodden Town. Past history (speaking generally) has shown that the way society has been attacked and the way people have risen to power who could not have otherwise gotten into power is when they create frightening things; when they have attacked the investors of the country and when their move is to destroy the Government at any cost - which normally means destroying the country. If the country is brought to its feet it is very simple for people who would not be in positions of prominence to get in there at that stage. They disrupt the country. That has financially, socially and politically destroyed many a country in the Caribbean.

The attacks that relate to talking about fear and corruption, which the First Elected Member for Bodden Town mentioned in his speech, is the type of thing that should not be brought up publicly in this House unless there are very clear facts to support it. This is the way fear is created - wild allegations saying (as the Member said): "**I am beginning to become alarmed now at the fear many Caymanians have about the country being sold out. Indeed, the mention of corruption, and corrupt practices in its myriad forms are expressed time and again by persons with whom I come in contact . . .**" [Hansard 29th February, 1996]

This is not correct in my view. This country is stable. This country lives under a free democratic rule. If it did not, then the two Opposition Members would not have the freedom that they have in this House: They say what they want, they put whatever motions they want, they have their say and nobody stops them from having their say; they get up on public platforms and have that say. They come in here...

Mr. Roy Bodden: Madam Speaker, on a point of order.

**POINT OF ORDER
(Misrepresentation)**

The Speaker: May I hear the point of order, First Elected Member for Bodden Town?

Mr. Roy Bodden: Yes, Madam Speaker, the misrepresentation of language and the accusation of misrepresentation. I did not mention anything about an undemocratic government. I said that people with whom I come in contact express fear of corruption. Is the Honourable Minister saying that he has proof that I have not been approached by these persons concerning this fear? Or is he twisting my argument to say that I am saying that the country is undemocratic?

The Speaker: Honourable Minister, may I hear a further explanation as to your reason for...

Hon. Truman M. Bodden: Madam Speaker, the undemocratic part relates to my views of this country. What I said in relation to the expression of fear and corruption was that if somebody comes to that Member and talks about fear and corruption he should be responsible enough to ask them 'what is your fear?', and 'where is the corruption?'; but not to come into this House and make wild allegations like this. This is my view, and it has nothing to do with twisting the facts because I have in my hand what that honourable Member has said.

What I am saying now relates to the fact that I do not agree with what that honourable Member has said. I am saying that this is a democratic country in which there is no fear and no wide-spread corruption and no corrupt practices, or whatever has been alleged in this. That is all I am saying.

They are my views, I am not attributing them to him, because he is looking at the negative side of this – I am looking at the positive. This is the reason why people succeed in life, they take a positive approach.

The Speaker: Honourable Minister, I will say that I must agree that there have been so many expressions which could best have been avoided in this House, and I would say that the view you have expressed is a very reasonable expression in view of what has been said.

On the other hand, I am sure that the First Elected Member for Bodden Town is quite correct when he said that he had been approached by people who probably feel some fear. But people can be afraid without really pinpointing where the fear might come from, or what might happen. The other point which you have stated is that we could look at the things which have happened in other Caribbean territories; and while it does not necessarily mean that it is going to happen here, one should be on guard.

I feel right now that in the future all Members need to be very particular in the expression of any ideas or opinions in this House which could give rise to different views being taken. I do not consider this a valid point of order for me to rule on. I am just asking Members to be careful and, in the future when discussing matters, to stay with the issues.

Shall we get away from picking on what other people have said? If someone comes up with a deliberate misrepresentation of a fact... you have stated that an issue was published by certain people and that the Financial Secretary corrected it with a paper, and I think that is all that needs to be said. If someone has said something that is incorrect and it is corrected, just leave it at that. It has been corrected. I know it is election time, but when it comes to matters of the Throne Speech, I do not think that we should really go too much into explaining what you feel other Members meant.

Can I ask you to proceed with caution, Honourable Minister?

Hon. Truman M. Bodden: Thank you, Madam Speaker.

I am, however, in a position of winding up. So I have to deal with what has been put forward by other Members. Indeed, it is my duty to deal with what has been put forward. That is all that I was trying to do, Madam Speaker.

The Speaker: I appreciate that, sir. I am just asking if you would be very careful in expressing your opinions on matters which might give rise to misunderstandings or anything else which would not add to the debate on the Governor's Throne Speech.

Hon. Truman M. Bodden: Sure.

However, Madam Speaker, what I am now doing is expressing my opinion on the state of this country. It has nothing to do with any Members of this House. That is what I would like to go on and develop.

The Speaker: Please proceed.

Hon. Truman M. Bodden: In a country where we have 48 of the largest 50 banks, in a country where we have some of the largest insurance companies from other countries in the world, there can be no doubt that the financial and economic status of this country is extremely good. It is excellent; otherwise they would not be here. We have to be careful with what is said or done in this country that we do not drive that business away. It is important that the country remain stable. To get that stability there has to be sound people with sound business knowledge in positions where decisions are being taken. Any derogation from that principle, any attempt to instill instability or fear or anything else that is not supported by fact is, in my opinion, irresponsible by anyone who makes those statements.

We did not get here over night. It has taken a lot of hard work by people like Sir Vassel Johnson, people in the Service and in this Honourable House, to get where we are today. I do not intend to stand here and see it destroyed by a few frustrated people who have never made it in their business or in their lives, and I am speaking generally.

Mr. Roy Bodden: You ought to look around and see some of your friends.

Hon. Truman M. Bodden: It seems like the cap fits someone. I hear rumblings in the background.

Mr. Roy Bodden: That is right. I said look around at some of your friends and see if they are making it at their businesses.

Hon. Truman M. Bodden: The position here with the bringing in of the Stock Exchange Law will further consolidate Cayman's position. It is important that we project abroad an image of stability in these islands to continue the business of this country; especially people in the Executive Council and in this House and in positions in the Civil Service where decisions are being taken to go abroad to represent this country. It has to be responsible people with some experience at projecting the right image and the right attitude - and it has to be a positive attitude.

I have gotten where I am in life (and I am very happy with it) because I have a positive attitude. I look at things and I try to see what is good about them, and how we can go about developing an idea or a business. Not the approach where people are saying 'how can I find something to criticise in this?', or 'why is it bad?' You cannot achieve any heights in this world by taking negative attitudes, especially when the negative attitudes are not supported with viable alternatives.

To criticise in this House and have no alternative does not help this country, it hurts it. That is why I am now trying to put forward (and I believe this Government has put forward) what is needed to keep this country financially stable.

Mr. Roy Bodden: Why do you not ask—

Hon. Truman M. Bodden: Madam Speaker, the rumbings continue over in that corner. The saying goes, 'You throw a rock, he who squeals got hit.'

I would like to go on to deal with an area that I left when I was speaking before, and that is Tourism.

We have seen strides in Tourism that are unprecedented. We have seen the Minister for Tourism, very ably and capably, take this country along, open up the areas of tourism in Europe and the Far East that are so vital for spreading tourism throughout so that we are not dependent on the North American Continent totally. He has made vast improvements in the structure of the department; that Minister has spearheaded many moves that have been very positive and the results have been good.

This is what the National Team is saying at this stage: Look at the facts. The country is in a very good financial position. Tourism is up, we have direct flights out of London; and this has come about by the investors in this country, the people in the hotel and tourism industry having a good Minister and a good Government and National Team to support the development of this country.

We have to remember that Tourism is the largest source of revenue in this country to the Government. It affects all aspects of our society. The tourist dollars are spread over all and I commend the Honourable Minister in what he has done and I will support him in every way possible to continue this trend. In fact, this is what Cayman has been built on - the positive approach that has brought into this country the necessary infrastructure and development.

From there, I would now like to go on to deal with an area in Agriculture, Environment, Communication and Works. The Honourable Minister has quite a work load, and the difficulty of some of these departments (difficult from the point of complexity and demands on the Minister to deal with certain things), and I am very happy that he has very capably (since 1976 both in this House and on Executive Council) been able to propel this Ministry to great heights.

That Honourable Minister is a very quiet and unassuming person, very much the way I used to be in some of the earlier years. I am still the same, but I now believe in defending when I have to defend, where, perhaps in the past, I took a docile approach to it. He has taken and moved complex areas, but extremely vital areas, such as Lands and Survey, into the computer age. I know that was begun previously by the Honourable Minister who had it then, but we see the Lands and Survey Department, which is so crucial to

the contribution, not only to the Cayman Islands generally, but to the revenue of this country, getting a very advanced mapping system, a very advanced registry system in place and this has been tied in with the advances in the Companies Register, which is under a different Minister.

Undoubtedly, I think that the Minister for Agriculture will best be known for getting Agriculture, which was not just neglected for the four years that the then Executive Council Member, Mr. Linford Pierson, had it, but it was abandoned during that period. We saw the destruction of things like the Agricultural show.

Telecommunications is a complex subject. Prior to this I had the responsibility for dealing with one aspect of the radio and television licences. Most of that has now been completed as was stated in the Minute which was laid on the Table of this honourable House earlier. The last of that is now being dealt with. But these are complex legal matters. Putting together a contract relating to television or radio is not something which can be done overnight.

I fully commend him. He has some difficult parts to his Ministry in that it is hard to please everyone, such as, the Protection Conservation Unit under the Department of the Environment, but the National Team's approach, which has been clearly shown, is that we are prepared to take all necessary and reasonable steps to protect the environment, bearing in mind, as one Member said earlier, that protection of the human race has to ultimately come before protection of the fish and trees. But we have that balance and we have always tried to get it right - to preserve as much as we possibly can without totally stopping development in the country.

I would now like to deal with what has received quite a bit of criticism and talk - the Health Services, If I had to choose a person to take over the maze of legal complexities of health, and what was in fact a tangle, then I would at any time choose the Honourable Minister for Health. In his own quiet way he has very ably come to grips with a complex situation that was very politically explosive, and used as a whipping horse by certain political figures in this country against the National Team.

He has brought calm and I can nearly say serenity to that area; he has taken a larger part of the politics out of it. He has organised a totally disorganised area because with the dismantling of the statutory corporation it takes a while to put the pieces together as they should have been left from the early stages. The results will be that the country will get a first class medical facility at the end of the day. The Honourable Minister believes that, the staff at the hospital and the Health Services believe that, and they fully support him.

His process of sharing the decision-making and the power through strategic planning is one of the best things that he could have done. He has pulled together people who are looking at the positive side. It is so easy to criticise and tear things down, it is not easy to build up. It takes a while to pull together the highly professional staff to support such a major but critical undertaking. If the expenditure for that hospital saves one life that would otherwise not have been saved, it will be worth the fight and the cost.

The Minister for Health has my full and dedicated support. I will assist him in any way that I can. I know that the people of Bodden Town are as proud of that Minister as the National Team is. I know they will show that in the next election.

The Minister has taken a new approach to the difficult area of Drug Abuse Prevention and Rehabilitation. He has taken a positive approach to this area. We do not have to cast our memories back very far when the former Minister for Health (Mr. Ezzard Miller) made the statement that he would write off a generation of the youth of this country, an alarming statement which has now been turned around and we are seeing a reversal of the approach. It is not correct to write people who are hooked on drugs off. No one in the human race should ever be written off, much less a generation of the youth of this country. We have seen the reduction in crime in this area. We have seen the positive effects of the counselling system and the development of the Cayman Counselling Centre. We have seen inroads made at Northward Prison where at one stage, and perhaps even now, over half of the population have gone there because of crimes related to illegal drugs.

Having begun the Ministry half way through has made it, in my view, about four times as difficult for that Honourable Member to achieve what he has in such a short period. There are talkers and there are doers, and in Bodden Town the two National Team Members, the lady Member and the Minister for Health, are doers - they get things done. They are the people that this country needs.

From there I would like to deal with some of the criticism, even though I know this has been very ably dealt with by the Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture. He has a very diverse portfolio in his Ministry and he has taken the Social Services area, which I must say was under me for eight years, and I found that most difficult to deal with because of the diversity of the problems. There would be problems relating to the elderly, for example, who needed money to assist them with food, or there was the situation of abused wives or situations of juveniles who needed care and protection. Nearly every decision has to be taken on the basis of a subjective approach. You have to look at the person, you have to look at the situation and then deal with it. That is what makes it so complex. He has very ably come to grips with this, he and the Department, and he has carried out the National Team's view that if people are in need, the Government must help.

However, for those people who can help themselves and do not do so, my view is very clear - they do not need help, they need to learn to work and get a job. That may seem a bit harsh, but that is the reality of the situation. The Government cannot spread itself to the stage where people who have the ability to support themselves are supported by Government. The policy is clearly not to do that, but to help those who need help.

The National Pensions Law that will be coming to this House, hopefully in June, is one that will be implemented, as the Minister stated, the following year; so the impact of that will not come in this year. It would not be right, in my view, to have both the Medical Insurance and the National Pensions Laws impacting on employers and employees at the same time. It would be heavy. So that will be set apart and the public need not fear that there will suddenly be two areas (the Pensions, as well as the Medical Insurance) coming in at one time.

Sports: The Honourable Minister for Sports has done more in these three years (and I am man enough to admit it) than was done by any of us in the past for sports. At

one stage it was under my Ministry. I did as much as I could with the means that we had at the time, but the youth of this country owe the Minister for Sports a great debt for what he has done in sports. As I say to school children when I attend the sports day at the schools, a healthy body contributes to a healthy mind. It also has, in my view, been one of the areas with the most impact on reducing juvenile crime which has dropped by half in the last three years. That is absolutely amazing. The churches, youth clubs, sports clubs and the Lion's and other service clubs have altogether, with a lot of work by individuals, contributed to the turn for the better we are seeing with our youth. There is no monetary value that we can put on that. That generation will come up with a far more wholesome and better outlook and they are the people who will fill these Honourable Chambers in due course and money that is invested in sports cannot be better invested.

Madam Speaker, the . . . I cannot really call it the Democratic Alliance, but I know that Mr. Linford's theme seems to be what has been done in George Town?' I spoke earlier on the roads that had been done, the improvements in the schools, and I would now like to deal with the improvement in sports in George Town.

We have seen the completion of the Sports Complex that was named after me (which I originally began), and I thank the Minister and National Team for supporting the Complex being named after me. However, that has put Cayman into the international competitive sports world. Until we could have a facility that was of an international and an Olympic standard then our athletes would always be at a disadvantage. What was done by the last government or the previous one... when I left that sports complex in 1984 it had an asphalt track which was the base for laying the rubberised track that is now on it. Much had been done to lay it out. After about two years that asphalt becomes very hard. If anyone in this honourable House has seen a child's knees and hands when they go down on that asphalt while running they would appreciate that if Mr. Linford, Mr. Ezzard (or whoever) wants to ask what has been done in George Town, I would ask them why they did not do something about that. Why did they not finish the sports complex? Do you know the amount of injuries that young children have had on that asphalt? It was totally left, literally abandoned for the next eight years.

If the people of this country, especially the parents of school children can thank anyone, then they can thank the Minister for Health for upgrading that field. Do you know what is amazing? The people who are criticising are out in their little shorts running around on that same track and then turning around saying that we should not spend the money on it. I must correct myself, I meant the Minister for Sports. I guess I had health on my mind thinking of the damage to young children when they fell on that track. That has been put in place and it is a first class facility used by the critics who continue to criticise it - so it has to be good!

Despite a bit of criticism in relation to the Annex, or the George Town Primary field, the Minister explained that the field itself was subject to the Football Association, and they had put the little building on it. The maintenance for that falls under Sports. That is why I think the Third Elected Member for West Bay was, perhaps, attempting to contribute to the school something that was not their responsibility. But a lot has been done there. We have seen an upgrading of the Annex. We have seen several things in the area of im-

proved clearing of litter, because after a football match there can be a fair amount of litter there.

We have also had the private sector involved, the Park and Playfield at the Watler's Road area has now been leased from Government. A club house with the company playfield, squash courts and possibly tennis and basketball courts will be going in. This will be another plus for George Town. The Johnson & Higgins part of the Park at Spotts which is being developed by them, is one that will also enhance sports in the area. The Lion's pool did not go in during the last government's tenure of office, it went in during ours. That has been upgraded and we thank the Lions for what they do in that area.

There has been upgrading on the George Hicks playing field and at the Smith Road old agricultural grounds. Quite frankly, the Wights should bow down to the Minister for Sports every time they cross because that Minister is building them a first class cricket pitch in West Bay. Even at that we continue to upgrade the field that they play on.

We have assisted with the upgrading of the Prep School playfield and these were largely private sector, but with some assistance from Government here and there. Also, the John Gray playfield. The Ministry is going to assist a church with the development of a park.

We have seen Government put down the sports floor to facilitate indoor sports such as basket ball, net ball and volley ball at the Lion's Centre. We have seen all of that come to fruition and we have seen international matches played there.

There have been talks with the Yacht Club in relation to sailing and also talks for assistance with the Tennis Club. There have been considerable grants made to 33 national sports associations, many of these are George Town people. So this is what the National Team has done for George Town, including cricket, softball, football, sailing, etcetera.

At the Washington Square and at Watler's Road, we have seen the park that we have put in place there with the assistance of the people which has also been assisting the youth. We have seen the Youth Centre which the Rotary Central Club was involved with.

There are a lot of programmes and facilities which have been put in place. Also, the bus shelter programme continues in George Town. Where were the bus shelters from the last Government? They were all promises to the little man whom they abandoned after they got in.

We also have coaches, and this is very important because we are not just dealing with facilities, but the Minister for Sports has put coaches in the foot ball, basket ball, net ball, cricket, swimming, track and field athletics. Those first five are already in place, the other will be appointed. Most of these people who use these facilities are in George Town.

I am very proud of what the National Team has done in George Town. I am very proud, as well, of what the Fourth Elected Member for George Town has done for his George Towners, even if his colleague seems to believe that nothing has been done in George Town. That is one thing that I believe will get straightened out after I state all of these facts.

The Speaker: Honourable Minister, could you take a suspension at this time?

Hon. Truman M. Bodden: Thank you, Madam Speaker.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.26 AM

PROCEEDINGS RESUMED AT 11.52 AM

The Speaker: Please be seated.

The Honourable Minister responsible for Education and Planning, continuing his debate.

Hon. Truman M. Bodden: Thank you, Madam Speaker.

The Minister for Agriculture has reminded me that in the Agricultural Department recognition was shown to 25 persons in the form of awards at a function held at the Grand Pavilion Hotel on 20th January, 1996, at a function which he hosted. These officers had given from five to 22 years of dedicated service to the promotion of agriculture to these islands. I would like to join him in also adding my congratulations to them. We have a lot of good people in the Civil Service.

We had something similar to this at Cayman Airways in which 10 year to 25 year pins were given out.

The Chief Education Officer is fairly ill, and I would ask Members of this Honourable House if they would remember her in their prayers. We hope for her speedy recovery.

The Water Authority (page 26 of the Throne Speech) has now gotten onto a sound footing. The Minister for Sports and the Water Authority has done a very exceptional job in clearing up and getting this Authority back on a good footing. I think that the problems which surrounded the Water Authority were very concisely summed up by the Auditor General in the 1993 report where he said, at page 34, that he had carried out an audit on the water authority. He said this: **"The results of this exercise confirmed under-billing of \$2,634 on two accounts, plus under-billing of \$1,880 on one other account. These irregularities occurred during the period August 1991 to January 1993 and were attributable to the deliberate manipulation of water meter readings. This practice appears to have ceased completely with effect from January 1993."**

Well, that was when the National Team Government got in and the manipulation and under-billings stopped. We know that one of those under-billings was for the Minister, Mr. Linford Pierson, and one was for the manager.

One other area on this which that shows we are getting back on a good footing is that the large sums that were spent in the Water Authority and the irregularities that were found there (and we know that the manager is no longer there, he ceased to be manager under the National Team's Government) during the last Government's time (and I am still reading from the Auditor General's Report): **"The Audit Office is presently engaged in a comprehensive audit of the Bodden Town Water Supply project which is focusing on: - materials supply contracts with Propax Industries Exports Limited..."** We know that was a cheque for some \$800,000 that he was investigating at that time - and still is, I understand. I will say no more on it except to say that if the National Team had not intervened there, this continuation of what appears to have been deliberate misappropriation (the under-billing of water bills and what not) -

and the Bible tells us that he who is dishonest in little is dishonest in much, or words to that effect.

I will move off this now to go on to deal with an area that was touched on and dealt with in some depth - the Bill of Rights and the Constitution.

There is a Select Committee on the Bill of Rights sitting which is comprised of all Elected Members of this Honourable House. That has been sitting for some time, and is now getting into an advanced stage. This was raised at a time when the Constitution was under review. I would like to put that in its proper historical perspective.

We know that the Majority Report of the Legislature, dated 28th October, 1991, which was signed by the two Opposition Members and all of the then Government, Mr. Linford, Mr. Ezzard and the other Members, sought to introduce a series of amendments to the Constitution. The first one we find in paragraph 5 (and I am taking this from page 15 of the report) was that the then government recommended: **“(ii) that the number of Official Members be reduced from 3 to 2...”** So, they were taking an Official Member out of the House. That would have been (of all people) the First Official Member, the Chief Secretary.

In paragraph 6 headed “Creation of the Post of Chief Minister, they recommended...”

Mr. Roy Boddén: Madam Speaker, on a point of order.

**POINT OF ORDER
(Relevance)**

The Speaker: May I hear the point of order, First Elected Member for Boddén Town?

Mr. Roy Boddén: Yes, Madam Speaker, relevance. Is the Honourable Minister addressing his comments to the Bill of Rights (or the absence of a Bill of Rights), or is the Honourable Minister addressing his comments to the Constitutional Recommendations which was not a part of the Throne Speech?

The Speaker: First Elected Member for Boddén Town, that is not a point of order because the Governor in his Throne Speech did speak about the various committees which have not yet concluded their deliberations. The Committee on the Bill of Rights is one of those. The Minister may continue.

Hon. Truman M. Boddén: Thank you, Madam Speaker.

We also found that the recommendation of the Bill of Rights came at the time when another recommendation (which perhaps some Members of this House do not want to hear) that **“the post of Chief Minister be created and held by an Elected Member of the Assembly.”** In paragraph 8, the appointment was by the party itself.

The tenure of office of Ministers at paragraph 11 stated that **“...subject to the Committee’s recommendation there shall be two Official Members. It is recommended that the new Constitution provide that the seat of an Elected Member shall become vacant, the Chief Minister vacates his office, or, if the Minister’s appointment is revoked by the Governor, acting in accordance with the advice of the Chief Minister...”**

The Speaker: Honourable Minister for Education, I am going to have to stop you there because the discussion, or the point made by the Governor in the Throne Speech....

Will you sit for a moment while I speak, please?

The Governor made a point about Committees, and one Committee was the Select Committee on the Bill of Rights. I do not think it is necessary for you to go into any details because whatever happened prior to that, the Bill of Rights is now before the Committee. It is on that issue that you should be speaking, please.

Hon. Truman M. Boddén: Madam Speaker, I was trying to set the history behind how that came up. I will move off that. Needless to say, a lot of this came about at a time when the country had rejected the Constitutional Amendments put forward by the then Government and the two Opposition Members, which people would perhaps like to forget. But this is the time when this Committee came about as a result of these things.

The Committee itself is sitting with all Elected Members and actions taken have (as can be seen from these reports) by and large been unanimous. It is coming to a stage where the public will be invited to give their views.

The stability of this country came about as a result of the clear rejection of views that are now currently held by would-be politicians, who are attempting to get into this House who support taking this country into independence. I will move off that subject.

I would like to go into depth in relation to the hospital site itself. Abandoning the hospital site which the last government had chosen was clearly understood by the public when the election results came out. But it was known to Members before that time what the public view was.

In a poll that was taken on the 22nd and 23rd of April, 1992, a survey, carried out by the Committee to elect Mr. Linford Pierson, found that only 20% said that we should go into building the new hospital at that time, and 54% said no. The public has always clearly preferred the site that this hospital is now on. It is hard to reconcile the fence-jumping that we have seen when we know that the First Elected Member for Boddén Town very clearly rejected the new hospital site (in our Manifesto, the National Team’s Manifesto) and said that it should be built where the present hospital now is.

Mr. Roy Boddén: Madam Speaker, on a point of order.

**POINT OF ORDER
(Misleading)**

The Speaker: May I hear the point of order, First Elected Member for Boddén Town?

Mr. Roy Boddén: The Honourable Minister is deliberately misleading and imputing false and unavowed motives to me because nowhere in the National Team’s Manifesto is it stated that the hospital should be built on the site of the present one.

The Speaker: The Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: Let me put this beyond a doubt by just reading what this says. That is all I intend to say. What I have said goes beyond that. It says under Health Services: **"We are against building of the new hospital in the swamp [that is the site of the new hospital - the swamp] and we will review the hospital plans and documents and accordingly take any necessary action which is legal and prudent."**

"We are against the building of the new hospital in the swamp." Very clear. That is all I am saying. I am not trying to take it beyond that. But...

The Speaker: Honourable Minister, I take your point and I must say that this is not a point of order because what you have read there clearly says that the hospital would not be built in the swamp and at that time the proposal was to build a hospital in the swamp, so that would have been the site.

That is not a point of order. Please continue.

Hon. Truman M. Bodden: It is going to be difficult for the differing views that obviously exist, both in relation to what some Members of the Team Cayman, such as the First Elected Member for Bodden Town, hold, and those of, for example, Mr. Ezzard Miller, who Obviously is, and was totally committed to putting the hospital in the swamp.

The Second Elected Member for Cayman Brac and Little Cayman up until not that long ago had made some very strong, and I should say very clear, statements that the hospital should not be built in the swamp. This was on the 11th March, 1992, when that honourable Member said: **"I have believed for a long time that the present Hospital can serve us for some time yet and that steps should be taken to improve certain areas of it to a certain standard so that the physical plant can be in a position to..."** do a better job. That was also reinforced when that honourable Member said on the 19th November, 1992: **"I personally believe the MRCU should ideally be moved from there. Take that to the area of land that Government now owns in the swamp on the dyke road..."** He went on to say: **"Knock it down, use that large area there that the people of this country have forever known as the hospital and build a new hospital there in phases. I cannot support the idea of entering headlong into three major expenses at one time in that area."**

Lastly, in the Hansard of the 11th March, 1992, the Second Elected Member for Cayman Brac and Little Cayman said this: **"Madam Speaker, this situation is one where I think the Government has failed and the Member [that is, Mr. Ezzard Miller] has failed to do what they should have done in the time since this was first given until now. I think it is largely due to the desire to build a new hospital since the time that the needs for the present Hospital were identified."**

Clearly, in 1992 the views of both the First Elected Member for Bodden Town and the Second Elected Member for Cayman Brac and Little Cayman were that the last Government (of which Mr. Ezzard Miller was a Member, actually a Minister responsible for Health) stated categorically that the Government had failed and that he (Mr. Ezzard Miller) had failed. That supports fully our position that not only did the public hold the view that we should build a hospital where the Minister for Health is putting it (on the present site), but every Member in this House, including the Opposi-

tion, held that view and also probably campaigned on it - and won the election on it, at least one Member did - as part of the National Team.

How the Democratic Alliance will reconcile these major differences in views is left to be seen. I think it is so important that the public and this Honourable House be reminded that the National Team is still together (with the exception of one Member) as it was three and a half years ago.

I have one other area which deals with a lot of what has been said about financial controls. I am aware that there is a request by the Third Official Member to rise early.

The Speaker: Would this be a convenient time to take the break?

Hon. Truman M. Bodden: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended until 2.30.

PROCEEDINGS SUSPENDED AT 12.15 PM

PROCEEDINGS RESUMED AT 2.42 PM

The Speaker: Please be seated.

The Honourable Minister responsible for Education and Planning, continuing. I think you have 20 minutes left.

Hon. Truman M. Bodden: Thank you, Madam Speaker.

The Budget and Management Unit and the question of control and accountability: What we have done is to apply the Financial and Stores Regulations to the Statutory Authorities and this came because of the many contracts that were given out in 1989, 1990 and 1991 that did not comply and, in fact, had not passed through the Central Tender's Committee but were actually given out directly by the Ministers at that time.

As an example of this, the Auditor General in his 1989 Report, after saying that he had carried out a review of the procedures that Government uses to contract, stated: **"43 (ii) Significant numbers of contracts are not scrutinised or approved by the Central Tenders Committee."** He actually listed 18 of them in 1989 which were not approved by the Central Tenders Committee that were over \$100,000 and should have been approved. Secondly, he stated: **"43 (iii) Contracts for consultancy services are not always subject to open competition and large consultancy contracts have not been reviewed by the Central Tenders Committee."** Lastly, he said: **"4.3 (iv) Not all original copies of government contracts are passed by Controlling Officers to the Accountant General for his safe keeping."**

One example that he gave was that one contract for some \$1.2 million was considered by the Committee but was let in 1990 by the Department concerned before full approval was obtained from the Committee. We know that was the Motorola Contract.

It has been very good to see the stand that has been taken by the churches in recent times. I would like to thank Reverend Cowan for his call for peaceful elections in his letter. Also, the churches' stand in relation to gambling which is clearly ruled out in our Manifesto.

The beginning of these Sessions in this House by prayer (and also Cayman Airways Board Meetings begin

with prayer), and the support we get from the prayer sessions here at lunch time is very good. It is very much in line with the view that despite the differing views and people, the one thing that can unite people is prayer and the Lord. I think that it is so important that all Members should attend as often as possible.

We have seen a fair amount of negative press from time to time. In relation to that, I often wonder why the press on the television does not cover things like 300 children on Sports Day. It would give such a good positive impression instead of normally someone talking about the negative things, crime or some nonsense going on in politics or whatever. I would call on them to not take literally the press adage that 'the only good news is bad news', but to get some good news in there.

Look at it another way - if you have 600 parents looking at the television screen to see their child on Sports Day, that has to be something that will financially help the television, even if only for that reason.

The call for peaceful elections is most important at the present time in view of the problems that the three Elected Members for George Town have had. I think it is the duty of all candidates to ensure that their staunch supporters are kept away from causing any breach of the peace or breaking of any laws. Reverend Cowan's letter was very timely as it came a few days after the disruption of our meeting.

I believe that the public is looking to put people in who abide by the peaceful way of life that we know. If someone wishes to have a meeting, then they have every right to have it, and they should be heard.

The country on a whole is in a very good position. One area that I support, and I will assist (and I have assisted with the Battered Wives Amendment to the Law) the two lady Members who have spearheaded the entrenching of the women's desk. The lady Member for North Side who is very able, both nationally and internationally (I think she has been on far more conferences and represented us abroad more than any other lady Member within the House, excluding yourself, Madam Speaker). . . she is very capable and established this very early and, with the Third Elected Member for George Town, along with the lady Member from Bodden Town, she will continue to push forward in this area I am sure. Whatever support I can give, I will be happy to do so.

I would also like to thank the stalwart of sports, the Fourth Elected Member for West Bay, for all that he has done, especially in the area of Boxing. Throughout the years, long before he was a politician, he gave very much of his time to the youth of this country, and he continues to do so.

Lastly, I would like to also thank the Second Elected Member for George Town for all that he has done in the area of medicine and health services. He has spent a lot of time assisting the Minister for Health, and also sitting on boards there. I guess that until the reality of five weeks of constant Legislative Assembly where we can get very little else done comes home, do people realise the sacrifice that Members in the Legislative Assembly do give for their country. However, I think it is one's duty, and what I have done over the last 20 years I have done fully for my country and will continue to do so as long as possible.

At this stage, I think my call is for a positive approach when it comes to propelling the economy along and

for people and politicians generally to avoid attacks that are unjustified in relation to scare tactics, fear and this sort of thing. We have a good country and, if I may say so, we have a good Government. The country is in a good financial state. There can be no doubt that with the country in the state it is now and with things moving the way they are, continuity is the key to the future. We must continue on the course that we are now taking, and to do so there are no better people to do it than those who have put the country on the course that it is on.

I pray that Almighty God will continue to help the country, help its people and I believe that with His help we can achieve much more.

Thank you.

The Speaker: The debate on the address delivered by His Excellency the Governor, having now been concluded, I shall put the Motion: "BE IT RESOLVED THAT this Honourable Legislative Assembly record its grateful thanks to His Excellency the Governor for the address delivered at this Meeting.

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

AYES.

The Speaker: The Ayes have it. The Motion has duly been passed.

AGREED. THAT THIS HONOURABLE LEGISLATIVE ASSEMBLY RECORD ITS GRATEFUL THANKS TO HIS EXCELLENCY THE GOVERNOR FOR THE ADDRESS DELIVERED AT THIS MEETING.

The Speaker: Bills. Third Reading.

BILLS

THIRD READING

CAYMAN ISLANDS STOCK EXCHANGE COMPANY BILL, 1996

Clerk: The Cayman Islands Stock Exchange Company Bill, 1996.

The Speaker: The Honourable Temporary Third Official Member.

Hon. Joel Walton: Madam Speaker, I beg to move the Third Reading of a Bill entitled, The Cayman Islands Stock Exchange Company Bill, 1996.

The Speaker: The question is that The Cayman Islands Stock Exchange Company Bill, 1996, be given a Third Reading and passed. I shall put the question. Those in favour please say Aye. Those against No.

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given a Third Reading and passed.

AGREED. THE CAYMAN ISLANDS STOCK EXCHANGE COMPANY BILL, 1996, GIVEN A THIRD READING AND PASSED.

The Speaker: First Readings.

FIRST READINGS

FIREARMS (AMENDMENT) BILL, 1996

Clerk: The Firearms (Amendment) Bill, 1996.

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

Suspension of Standing Order 46, the Honourable Second Official Member.

SUSPENSION OF STANDING ORDER 46

Hon. Richard H. Coles: Madam Speaker, I beg to move the suspension of Standing Order 46 to allow the Misuse of Drugs (Amendment) Bill, 1996, to be given a First Reading.

The Speaker: The question is that Standing Order 46 be suspended in order for the Misuse of Drugs (Amendment) Bill, 1996, to be given a First Reading. I shall put the question. Those in favour please say Aye. Those against No.

AYES.

The Speaker: The Ayes have it. Standing Order 46 is accordingly suspended.

AGREED. STANDING ORDER 46 SUSPENDED.

The Speaker: First Reading.

MISUSE OF DRUGS (AMENDMENT) BILL 1996

Clerk: The Misuse of Drugs (Amendment) Bill, 1996.

The Speaker: The Bill is deemed to have been read a first time and set down for Second Reading.

Second Readings.

SECOND READINGS

FIREARMS (AMENDMENT) BILL 1996

Clerk: The Firearms (Amendment) Bill, 1996.

The Speaker: The Honourable Second Official Member.

Hon. Richard H. Coles: I beg to move that a Bill for a Law to amend the Firearms Law, 1995 (Revised), be given a second reading.

This amending Bill comes about following amendments that were made to the Firearms Law in 1993. Members will recall that the amendment at that time substantially increased the penalties available to the courts for the more serious firearms' offences. That had a number of results, one of which is to be rectified by the amending Bill before the House at this time.

The offences now carry substantially increased penalties. Because of this they have been taken out of the automatic jurisdiction of the Summary Court.

There are some offences in the Firearms Law that specifically state that they are dealt with, can be dealt with, and should be dealt with, summarily. But for the more serious offences that was not stated. Because of the increase in the penalties, it has been ruled upon by the Grand Court that those offences should all be triable on indictment. That is to say, by the Grand Court, and only by the Grand Court.

I make no criticism of that ruling whatsoever. I am sure it is absolutely right. But the consequence of that is that any of those offences now has to be dealt with by a preliminary hearing in front of the Magistrates. If they find that the preliminary case has been proved, then it goes to the Grand Court, the date has to be set and it is dealt with by a jury trial.

In some cases that is the very proper route for it to take. But some of these cases, although they can be serious, are of a relatively minor nature. It would be perfectly proper for the Summary Court to deal with them and their powers of sentencing are perfectly adequate. But they are not allowed to do so. It has to go to the Grand Court and the full procedure has to be complied with.

The purpose of this Bill is to make these offences what I would term 'either way' offences. What that means is that they may be tried in the Summary Court, or they may be tried in the Grand Court. Initially, it is the defendant (the accused person) who has the right to decide whether he wishes the case to be tried in the Grand Court. That is an election that he can make, and it would apply to these offences.

If the offence is a relatively minor one, and if the accused person consents to its being tried in the Summary Court, and if the prosecution agrees, and, most importantly, if the Magistrate who is hearing the application agrees, then it could be dealt with in the Magistrate's Court and it could (if everyone agreed) be just one hearing. It would not have to go and be tried before a jury in the Grand Court. There are many instances where that would be the appropriate venue for it to be dealt with.

The Legislation itself refers to various offences in the Firearms Law. It may be helpful if I refer to those offences. I do not intend to read them out at length, but I think it would be useful for Members to know the actual offences that we are dealing with here that will become Category 'B', or 'either way' offences.

Any Members who have looked through these offences already, will see that they are all the offences that contain substantial fines and, in many cases, a maximum term of imprisonment of 20 years. One can readily see why the Court at this time was reluctant to allow them to be heard purely in the Summary Court.

The first offence which was section 3(2) and deals with the importation or export a firearm that is brought into the country without a permit. Section 4(2) is in relation to a visitor to the island who fails to declare a firearm even when required to do so by a Customs Officer. (I am thinking in particular of instances that have caused concern and the way they are dealt with at the moment.) Someone who arrives here on a private boat has a firearm with him for his own protection at sea, fails to declare it to the Customs Officer and is then charged with this type of offence. He is no doubt seeking to move on to another island with no plans to stay for any great length of time in the Cayman Islands, but as the matter is at the moment he is obliged to stay here until the full process has been gone through including the Jury trial, if, indeed he contests it. If he pleads guilty, there is no need to have a jury. But now, he will be able to elect to be tried in the Magistrates Court and if the prosecution and the Court agree it could be dealt with there and then. He could be given his penalty and if it were not a custodial sentence, he would be on his way. That is a great saving in Judicial time, Court time and indeed the time of attorneys as well.

The next offence is under section 5. This also relates to visitors to the island and it is really an extension to the previous offence, retaining the firearm upon a vessel. Section 8 relates to receiving as a gift, or purchasing a firearm for someone under age, or allowing someone under age to have one.

Section 12 relates to altering a gun, in particular shortening the barrel. There is no more lethal weapon than a sawn-off shot gun. Section 15 is having possession of a firearm other than in accordance with the terms of a firearms licence.

Then we come to section 18. These are probably the most serious offences of all. Section 18(6), (8) and (9). Section 18(6) is having a firearm with intention to commit offence or to resist arrest; (8) is having a loaded firearm in a public place; (9) is trespassing or entering a building as a trespasser with a firearm. In other words, all those three offences are using a firearm in furtherance of another offence, and would generally be regarded as the most serious offences.

I would stress that this amendment does not mean that the Summary Court is going to deal with all those serious offences whatever happens. Far from it! It is a question of degree, and it is a question for the Court to decide whether it is appropriate for the Summary Court to deal with them or whether it should go as it does not to the Grand Court to go there. It does not necessarily have to be a trial to be heard in the Grand Court if the Magistrate feels that the offence is of such a serious nature it could go to the Grand Court anyway for the Grand Court Judge to pass sentence.

I can also reassure Members that as far as those last three offences are concerned, I think in the majority of cases those offences would go to the Grand Court because in most instances those offences would be charged in connection with other offences such as burglary, robbery, or whatever, where the firearm was used in furtherance of that crime.

I do not think that I need to go into any more detail. I hope I have explained enough for Members to appreciate what the amending Bill is seeking to achieve. If any Members do have any queries, I will be very pleased to do my best to answer them when I wind up.

The Speaker: The question is that a Bill, entitled The Firearms (Amendment) Bill, 1996, be given a second reading. The Motion is open for debate.

If there is no debate, I shall put the question that a Bill entitled The Firearms (Amendment) Bill, 1996, be given a second reading. Those in favour please say Aye. Those against No.

AYES.

The Speaker: The Ayes have it.

AGREED. THE FIREARMS (AMENDMENT) BILL, 1996, GIVEN A SECOND READING.

MISUSE OF DRUGS (AMENDMENT) BILL, 1996

Clerk: The Misuse of Drugs (Amendment) Bill, 1996.

The Speaker: The Honourable Second Official Member.

Hon. Richard H. Coles: I beg to move that a Bill entitled

A Bill for a Law to amend the Misuse of Drugs Law (Second Revision) be given a second reading.

Let me start by apologising to the House for the fact that there are a number of amendments that I am going to have to move to this very short amending Bill, amendments that I intend to move in its Committee stage. I think it would be helpful for me to actually mention them now and explain why I am going to have to move them.

The Bill was drafted and, indeed, passed through Executive Council and on its way down to the House before the Misuse of Drugs Law and, indeed, the Penal Code were revised by the Law Revision Commissioner. So the references to those Laws in this amending Bill, and the references to section numbers in this amending Bill I regret to say have all changed because of the 1995 revision.

Even the title to the Bill is wrong because it is not to amend the Misuse of Drugs Law (Second Revision), but it is to amend the Misuse of Drugs Law 1995 Revision. Of course, that is mentioned within the body of the Bill as well. The section that we are dealing with of the Misuse of Drugs Law 1995 Revision is section 6, as opposed to section 4. The subsection is still the same, subsection (2), but it is section 6 not section 4.

The three sections that are mentioned in the Penal Code have also changed. Instead of 219, 220 and 221, they are, in fact, 230, 231 and 232.

So, I do apologise, Madam Speaker, to the House and, indeed, to you, for those changes. The law revision process is, of course, an ongoing process and I am afraid sometimes this happens and I take the responsibility for not spotting those before it actually was published. I will need to move that in Committee and I hope that Members will be understanding on that.

As far as this amending Bill is concerned, the new section will allow the police to request a sample and test a suspect who is arrested for various offences. At the present time they are allowed to test, in fact, require testing, not just request testing, under the Misuse of Drugs Law. But only where the person concerned has been arrested for an offence under the Misuse of Drugs Law. In other words, unless he is arrested for a drugs offence, he cannot be tested.

The police have for some time felt that extra powers were needed because they were of the opinion and the evidence appears to fathom out that many of those arrested for theft offences were under the influence of drugs when those offences were committed. It is widely believed that many of those offences are committed to obtain money to obtain drugs. So, the police requested and this Bill was then drafted to enable constables to require a sample, require a test when a person had been arrested not just for a drugs offence, but for the serious theft offences. They are: robbery, burglary and aggravated burglary. Those are the three sections in the Penal Code to which I have already referred.

It is not for any offence of dishonesty, only for the serious offences of dishonesty. This will now allow the police to require the accused arrested person to undergo a test. If it should happen that as a result of that he has also committed a drugs offence, if that should be the case, then he/she could find themselves charged with a drugs offence as well.

In this way, by allowing this testing, it will first of all give evidence and statistics so that whether or not people

are committing offences to feed a drug habit will be a matter of fact, rather than, at the moment, an educated guess.

It will also have the benefit that if they have been dealt with by the court, the court will be able to take this into account and when a penalty is passed, or a sentence is passed, then if it relates to drugs the appropriate counselling and treatment can be given. Whereas, at the moment, anyone arrested for this type of offence is purely an offence of dishonesty and they are dealt with on that basis and very often the court is not in possession of all that it should be in possession of and will be in possession of if these tests are carried out.

It is really an extension of the powers that are already there under the Misuse of drugs Law, but are now extended to these three specific serious theft offences. I hope that is sufficient explanation to Members, but, once again, if Members of the House have any questions, I will do my best to answer them when I wind up. Thank you, Madam Speaker.

The Speaker: The question is that a Bill entitled, The Misuse of Drugs (Amendment) Bill, 196, be given a second reading. The Motion is open for debate.

The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: I suppose what have could be said to be a query. It is my understanding that in law there needs to be probable cause and that police cannot simply arrest a person unless there is probable cause to believe that there are drugs being used, or, indeed, a person has been associated with a robbery, aggravated assault, whatever; and that arrest for committing a particular offence relates to that specifically and for that particular offence there are certain penalties attached.

It occurs to me that at some point in the history there were powers granted to the King's men and authorities that persons could almost be arbitrarily arrested and an end came to that in the 16th or 17th century, if I am not mistaken, when this was changed so that people would not be arbitrarily arrested. It had to relate to a particular possibility that a person did something they were being arrested for.

If this amendment goes through, does this not then overlook that particular principle or practice where a person might be found to, indeed, to have burgled a house or property, if without probable cause that they may have also consumed some type of drug, they are also tested for that and let us say found positive, how does that play in reality to the law as far as I am made to understand in this particular case?

If one seeks to provide a longer sentence of imprisonment or fine, then perhaps it might be well to look at the penalties attached to the offences that have been identified in this Bill and which appear under the Penal Code. It is my understanding from what the Attorney General has said that it could mean a longer sentence; they could be charged for one offence and charged for another if found using drugs.

I note here in the Memorandum of Objects and Reasons that it says; "**The amendment will provide the police with a further weapon against drug related crimes.**" I suppose it is a matter of what the person is being arrested for in the first instance because the question of the

drug consumption seems to be secondary to the first offence for which the person might be arrested.

Is it hoped that by a longer sentence it will stop offenders from burglary and also from the consumption of drugs? Is there any proof of that is the question that I raise, whether it proves that a person who commits burglary was using drugs or not. I do not know exactly what is the reasoning more than what has been said by the Attorney General and that the request has come from the police. I wonder if other deterrents are available for these particular circumstances.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Thank you, Madam Speaker.

I rise to support this amendment. I have grave concern, and I am sure that the overwhelming majority of the public have the same concern about drug dealing and trafficking and about the commission of acquisitive offences such as theft and burglary by those addicted to drugs in order to fund their habit.

I believe that more focused efforts against drug related crimes will help to make our communities safer and reassure the public. Fear of crime can be as damaging to communities as the actual incidence of crime.

Drug related crimes encompass any criminal activity either to fund or as a consequence of drug misuse such as criminal acts by persons acting as a consequence of drug misuse, acquisitive crime, such as theft burglary, and fraud to finance drug misuse and the laundering of the profits of drug trafficking either to fund further smuggling attempts or to allow unrestricted use of these assets.

Research indicates that as far as the public is concerned, the most important element of drug related crime is acquisitive crime to finance drug misuse. As we all know here, at Northward Prison, over 60%, are there for drug related charges.

I see this as not only acting as a deterrent, but also as another way of identifying the problem that is out there. For those people who have a drug problem, we can offer relief to them. I know that the Drug Advisory Council has advocated this for many years. I think it is also done in the United States and in the United Kingdom.

I honestly think that with the grave problem that we are now experiencing here with drugs, it is time to take off the kid gloves, stop pussy-footing around and get serious and do what we need to do to address the problem of drugs. If we do not take this in hand and do whatever is needed to put a stop to it, it may overtake us all.

With those few words, I support this amendment.

The Speaker: The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: Madam Speaker, I rise in support of the Bill, but I have some qualms about it. It is not something that the House can address; it is something that Government has to address.

When a person is caught, and we put them in prison after we find out that they have committed a crime because of drugs, the important thing is what happens when that per-

son is in prison and when they come back out. I say this for all Members and the Government to hear because we have commissioned to do a programme and it is going to cost money to do that, and I am just saying that when the time comes to get the money that we need to do it. What is going to happen is that more people will go in for drug related crimes. In my opinion, that is what will happen as a result of this.

If they are doing it for drug reasons, we need to know. We need to have those statistics. We need to have sufficient programmes for them. I am in agreement with the Bill, but when we go to find funds to do the programme, we need all Members to agree.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Under different circumstances this is the kind of Bill that would bring concern. However, because burglary is such a serious crime and because it seems that we have such a drug problem, it is my opinion that this Bill is worthy of Members' consideration and support.

Be that as it may, however, I would caution against arriving at the position where we are content with treating the symptoms and allowing the malady to grow unrestrained. By that I mean that in this instance I see merit in supporting the testing of those who burgle to ascertain whether that burglary is probably caused by an addiction to drugs, or whether it is motivated by some other phenomenon.

In the case where culprits are found to have drug traces in their specimen, I would suggest that, as far as possible, the sanction does not end at merely the punitive, but that these people should be made to undergo drug counselling while in prison for the duration of the sentence, and also compulsorily, when they are released, they should be placed on the rosters of the Drug Counselling and made to continue to be monitored to see that there is no element of recidivism.

This business of burglary has to be viewed seriously because in the annals of criminology, while burglary is a crime of opportunity, it is also regarded as one of the most serious crimes in that many people hold the view that whoever would burgle would kill. This is an added reason why it is important that we arrive at a motive for these kinds of crimes (i.e., whether it is drug related or whether the person is a plain pathological criminal). It seems to me that if we ascertain that someone is behaving a certain way because of drugs, then it allows us to more easily arrive at a successful treatment programme.

It certainly puts us in a position where we can screen the hard core from those who have some extenuating circumstances. So, I think it is a Bill that is worthy of Members' attention and I would also add in closing that while it is easy to catch these kinds of people, I would express the desire and the hope that continued efforts (if not exaggerated effort) will be expended on those who deal and those who finance

these kinds of ventures so that we not only catch the small guys, the users, but that we catch the big guys, the dealers, the financiers and the peddlers as well.

Thank you.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: From the point of view of interdiction, I certainly understand what is being hoped to be achieved. I am certainly quite prepared to lend my support to the Bill.

When the Honourable Minister for Health spoke about the percentage of drug related burglaries and the number of prisoners in Northward, I think he quoted 60%. If memory serves me right, it is higher than that. I am not correcting what the Minister said, I am emphasising a point - the percentage is higher than that.

One of the things that I would like to make an observation on, while it is probably extended beyond this Bill, is the accessibility of drugs to prisoners while in prison. It is my view that if someone is thought by the police to have committed a burglary to support a drug habit, I also hold the view that because of the horror stories of accessibility of drugs in prison, while these persons are incarcerated, they should be subjected to random drug tests also.

I am not one who simply wishes to see someone kept down, I also have very serious concerns, and I have voiced this on occasions before now, regarding the process of rehabilitation and genuine and concerted attempts of putting programmes in place both during incarceration and after people have completed their sentence in order to become productive members of society again.

While that is an extension to the Bill at hand, I also voice my concern there. I heard the Minister for Community Development allude to some type of programme. I also heard the Minister for Health talk about other programmes from the Cayman Counselling Centre in his contribution to the Throne Speech. I do trust that real attempts are going to be made in line with this so that we can see some positive results.

I very seriously ask the Honourable Second Official Member (either through this channel presently, or through whatever other channel is available) to consider the possibility of creating a situation where these people are subjected to random drug testing and they will know that they are liable to be prosecuted again if they are found to be using drugs while in prison.

I support the Bill, but there are other circumstances beyond this. I hope the situation is examined.

Responsibilities fall all over the place, and I think this is maybe not the right forum to discuss who is responsible for curbing the availability of drugs in the prison, but it is something that I have had individuals who have been there sit and freely tell me of situations that they were part of. It is almost unbelievable. So, I hope that part of the situation can be examined.

Nevertheless, as it stands (while it does not have as wide parameters as other may wish for it to have) I think it does have good intent and I think it will serve a useful purpose and I therefore support the Bill.

The Speaker: The Honourable Second Official Member responsible for Legal Administration.

Hon. Richard H. Coles: Thank you, Madam Speaker.

I will try to address the various observations that have been made by Members. There is certainly no intention, and this Bill does not empower random testing for drugs. The police are not entitled to require any person to undergo a test - only if they have already been arrested for one of the offences set out in this amending Bill.

Of course, if they already had any evidence sufficient to arrest that the person had consumed drugs, they would arrest him under the Misuse of Drugs Law and they would have the ability to require a test now under the legislation as it is. This presupposes that they do not have that evidence. It is not available; but, nevertheless, they suspect that drugs could have been consumed. In order to arrest somebody, there has to be a certain level of suspicion. We assume that he has not reached that level, they therefore arrested him for the offence that they do suspect him of committing which is burglary, robbery or aggravated burglary and then they are allowed to test under this amending legislation.

That is not a novel concept at all. In fact, it is the concept which is used now for motoring offences. If the police stop a driver suspected of committing a moving traffic offence, and having stopped him they then suspect that he has consumed alcohol or drugs and his ability to drive is impaired by that, they are quite entitled to test him. But they do not need to have formed that suspicion before stopping the vehicle in the first place; they merely have to be stopping it for a traffic offence. Again, of course, there is no power for them to do random stops; they have to suspect something.

Again, it is not a novel concept; it is just being expanded to these serious theft offences and from drugs offences.

Another point raised was the treatment, in other words, the hope that this amendment would not just result in people being sentenced to longer terms of imprisonment, but that they would actually receive some beneficial treatment for their drug addiction. I think that is the real benefit from this amendment because the counsellors and those who are charged with this responsibility cannot treat those people whom they do not know are suffering from the problem. This will make it clear that a particular individual is a drug addict, or does have a drug problem and will allow him to be treated, something that is not necessarily available at the moment because the authorities are unaware of the problem. I hope it certainly will have that effect.

It has also been suggested that perhaps random drug testing should be looked at, but within the confines of prison. I do not think that the forum is the right one at the moment to debate that issue, but I am quite prepared to undertake to the Member to look at that possibility and to discuss it with my colleagues. I believe that such a change would require an amendment to the Prisons Law, in fact, rather than the Misuse of Drugs Law to accomplish that. It is an interesting proposition and it has certainly been said before that drugs are available in prison. That is certainly nothing peculiar to Cayman, that is a problem I think throughout the world. Clearly, it is not helping an individual who has a drug problem if he is allowed to feed it whilst in custody. It is one opportunity where if he is given the right treatment he has a real chance of coming off drugs and we should do everything that we possibly can do to encourage and facilitate this.

I welcome Members' support, and I welcome those who have spoken, and I commend the Bill to the House.

The Speaker: The question is that a Bill, entitled the Misuse of Drugs (Amendment) Bill, 1996, be given a second reading. I shall put the question. Those in favour please say Aye. Those against No.

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given a second reading.

AGREED: THE MISUSE OF DRUGS (AMENDMENT) BILL, 1996, BILL GIVEN A SECOND READING.

The Speaker: The House will now go into Committee to consider two Bills.

COMMITTEE ON BILLS

(House in Committee at 3.46 PM)

The Chairman: Please be seated.

The House is now in Committee. The first Bill is the Firearms Bill (1995 Revision). The Clerk will now read the clauses.

FIREARMS (AMENDMENT) BILL, 1996

Clerk: Clause 1. Short Title.

Clause 2. Amendment of the Firearms Law.

The Chairman: The question is that clauses 1 and 2 do stand part of the Bill. The Motion is open for debate. If there is no debate, I shall put the question. Those in favour please say Aye. Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSES 1 AND 2 PASSED.

Clerk: A Bill for a Law to Amend The Firearms Law (1995 Revision).

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

AYES.

The Chairman: The Ayes have it.

AGREED: TITLE PASSED.

MISUSE OF DRUGS (AMENDMENT) BILL, 1996

The Chairman: The next Bill is The Misuse of Drugs (Amendment) Bill, 1996.

Clerk: Clause 1 Short Title.

Clause 2 Section 4 amended.

The Chairman: The question is that clauses 1 and 2 do stand part of the Bill.

The Honourable Second Official Member responsible for Legal Administration.

Hon. Richard H. Coles: I move that leave be given, in the absence of the required notice, for me to move the amendments.

The Chairman: In accordance with the provisions of Standing Order 52 (2), leave is granted to introduce the amendments without the prior two days' notice.

Hon. Richard H. Coles: Thank you. The amendments that I move and propose are in section 2 of the Bill. That in place of section 4 subsection (2), it reads section 6 subsection (2) of the Misuse of Drugs Law; and then in brackets, instead of "Second Revision" it reads (1995 Revision).

Further down in paragraph (b), there are three sections of the Penal Code instead of "section 219 it should read "section 230; in place of 220" it should read '231'; and in place of '221' it should read '232';

Finally, at the end of that line where it says "The Penal Code, after that it should say The Penal Code (1995 Revision)". Those are the amendments.

The Chairman: I think you will need to do the short title too.

Hon. Richard H. Coles: The short title is, I think, correct. Is it the long title you want me to do?

The Chairman: No, the short title. It is originally down as "The Misuse of Drugs (Amendment) Law, 1996."

Hon. Richard H. Coles: That is correct, Madam Chairman.

The Chairman: Fine.

Hon. Richard H. Coles: It is the long title that needs amending.

The Chairman: It is the 1995 Revision.

Hon. Richard H. Coles: Yes, instead of second revision. But the short title is, in fact, in order.

The Chairman: The question is that the amendments to clause 2 do stand part of the Bill. The Motion is open for debate. If there is no debate I shall put the question. Those in favour please say Aye. Those against No.

AYES.

The Chairman: The Ayes have it. The amendments to clause 2 do stand part of the Bill.

AGREED: AMENDMENTS TO CLAUSE 2 PASSED.

The Chairman: The question is that clauses 1 and 2, as amended, do stand part of the Bill. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSE 1 AND CLAUSE 2, AS AMENDED, PASSED.

Clerk: A Bill for a Law to Amend the Misuse of Drugs Law (1995 Revision).

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

AYES.

The Chairman: The Ayes have it.

AGREED: TITLE PASSED.

The Chairman: That concludes proceedings in Committee on two Bills. The question is that the Committee do now report. I shall put the question. Those in favour please say Aye. Those against No.

AYES.

The Chairman: The Ayes have it. The House will now resume.

AGREED: COMMITTEE TO REPORT TO THE HOUSE.

HOUSE RESUMED AT 3.51 PM

The Speaker: Please be seated.

The House has resumed. Reports on Bills. The Honourable Second Official Member responsible for Legal Administration.

REPORT ON BILLS

FIREARMS (AMENDMENT) BILL, 1996

Hon. Richard H. Coles: Madam Speaker, I have to report that a Bill entitled a Bill for a Law to Amend the Firearms Law (1995 Revision), was considered by a Committee of the whole House and passed without amendment.

The Speaker: The Bill is accordingly set down for third reading. The Honourable Second Official Member responsible for Legal Administration.

MISUSE OF DRUGS (AMENDMENT) BILL, 1996

Hon. Richard H. Coles: Madam Speaker, I have to report that a Bill entitled, A Bill for a Law to Amend the Misuse of Drugs Law (1995 Revision) was considered by a Committee of the whole House and passed with amendments.

The Speaker: The Bill is accordingly set down for third reading. Third Readings. Suspension of Standing Order 47. The Honourable Second Official Member responsible for Legal Administration.

SUSPENSION OF STANDING ORDER 47

Hon. Richard H. Coles: Madam Speaker, I beg to move the suspension of Standing Orders to allow the Third Reading of both these Bills to take place today.

The Speaker: The question is that Standing Order 47 be suspended in order for the Third Reading of two Bills to be taken today. I shall put the question. Those in favour please say Aye. Those against No.

AYES.

The Speaker: The Ayes have it. Standing Orders are accordingly suspended.

AGREED: STANDING ORDER 47 SUSPENDED.

THIRD READINGS

FIREARMS (AMENDMENT) BILL, 1996

Clerk: The Firearms (Amendment) Bill, 1996.

The Speaker: The Honourable Second Official Member responsible for Legal Administration.

Hon. Richard H. Coles: Madam Speaker, I beg to move that a Bill entitled the Firearms (Amendment) Bill, 1996, be given a Third Reading and passed.

The Speaker: The question is that a Bill entitled the Firearms (Amendment) Bill, 1996, be given a Third Reading and passed. I shall put the question. Those in favour please say Aye. Those against No.

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given a Third Reading and passed.

AGREED: THE FIREARMS (AMENDMENT) BILL, 1996, GIVEN A THIRD READING AND PASSED.

MISUSE OF DRUGS (AMENDMENT) BILL 1996

Clerk: The Misuse of Drugs (Amendment) Bill, 1996.

The Speaker: The Honourable Second Official Member responsible for Legal Administration.

Hon. Richard H. Coles: I beg to move that a Bill entitled The Misuse of Drugs (Amendment) Bill, 1996, be given a Third Reading and passed.

The Speaker: The question is that a Bill entitled, The Misuse of Drugs (Amendment) Bill, 1996, be given a Third Reading and passed. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given a Third Reading and passed.

AGREED: THE MISUSE OF DRUGS (AMENDMENT) BILL, 1996, GIVEN A THIRD READING AND PASSED.

The Speaker: That concludes the business for this Meeting.

Before I ask the Honourable Minister for the Motion for adjournment, I would like to thank Honourable Members for their hard work since the beginning of this Meeting, which was the 16th of February. Members have worked very hard and have been regular in attendance wherever possible.

I wish to also thank the Clerk, the Deputy Clerk and the other members of the staff of this Legislative Department for their hard work. In particular, on your behalf I would like to thank Anita, who kept you well fortified with refreshments. I think she did a sterling job and it shows that she was well trained by Miss Mary.

We still ask for your prayers for Miss Mary who is overseas at present receiving medical treatment.

I would also like to thank the Special Branch Officers who were here and also in particular Jewel, who had to fill in many times to open the door, otherwise it might not have been possible for me to pass through one half of it.

I need to give the Serjeant-at-Arms my grateful thanks for attending on the Speaker and for his assistance to all Members.

Finally, I would hope Members get a period of rest before the next sitting of the House because if the debate on the Governor's Throne Speech is any indication, we are going to be longer in June and even much longer in September before the General Elections.

May I ask the Honourable Minister responsible for Education and Planning for the Motion for the adjournment?

ADJOURNMENT

Hon. Truman M. Boddin: I move the adjournment of this Honourable House until Wednesday, 19th June, 1996.

The Speaker: The question is that this Honourable House do now adjourn until 10 o'clock Wednesday morning, 19th June, 1996. I shall put the question. Those in favour please say Aye. Those against No.

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until Wednesday morning at 10 o'clock, 19th June, 1996.

AT 3.57 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM WEDNESDAY 19TH JUNE, 1996.

**EDITED
WEDNESDAY
19TH JUNE, 1996
10.00 AM**

The Speaker: I will ask the Elected Member for North Side to say prayers.

PRAYERS

Mrs. Edna M. Moyle: Let us Pray.

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

Bless our Sovereign Lady Queen Elizabeth II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated.

Order. The Legislative Assembly is in session.

APOLOGY

The Speaker: First of all I have an apology from the First Elected Member for Cayman Brac and Little Cayman for his late arrival this morning.

Proceeding with the Orders of the day. Questions. Question No. 50, standing in the name of the First Elected Member for Bodden Town.

**QUESTIONS TO HONOURABLE
MEMBERS/MINISTERS**

QUESTION NO. 50

No. 50: Mr. Roy Bodden asked the Honourable Minister responsible for Education and Planning what the ratio

of pupils to teachers in the Government Primary Schools is.

The Speaker: The Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, the pupil-teacher ratio in Government Primary Schools is 1:13, which is one of the best in the world.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Minister say if there is any one individual school among the Government Primary Schools where the ratio is greater than this?

The Speaker: The Honourable Minister.

Hon. Truman M. Bodden: Madam Speaker, some are a few more, some are a few less. What he has asked for is the ratio in all schools, and that is what he has received.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Minister say if there has been any fluctuation in this ratio over the last three years?

Hon. Truman M. Bodden: Madam Speaker, that is not part of the question and I do not have that information.

I should point out that to go back many years to get information for this sort of supplementary takes up a very large amount of the good time which the teaching staff can use to do better things.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: The question, in my opinion, seems reasonable since it takes into account the tenure of the Minister's time in office. I would really like to have the answer.

The Speaker: The Honourable Minister.

Hon. Truman M. Bodden: Madam Speaker, I therefore suggest that at the next meeting he ask the ques-

tion: "What is the ratio of three years ago compared to the ratio now", or "the ratio each year compared to now".

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Minister give an undertaking to provide the answer, Madam Speaker?

The Speaker: I think the correct way to do this is to have another question set down for the next meeting in September with proper notice.

The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: There have been some reports of classes with as many as 36 children to one teacher. Can the Honourable Minister say if by including the various schools in Cayman Brac, which are small, that these numbers have come down to such a very small pupil-teacher ratio?

The Speaker: The Honourable Minister.

Hon. Truman M. Bodden: Madam Speaker, there is a question standing in the name of the Fourth Elected Member for George Town asking about 36 students in a classroom. I propose to answer that supplementary when that question is asked. Perhaps that question is set down to be asked today, I am not sure, but it is between today and Friday.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Madam Speaker, the question that I put to the Honourable Minister is whether because of adding the schools, etcetera, in Cayman Brac the ratio has been brought down. Realistically, I do not think one can believe that this obtains in all classrooms.

The Speaker: The Honourable Minister.

Hon. Truman M. Bodden: Madam Speaker, the best answer that I can give on this is to give the average ratios in each schools. The John A Cumber Primary School - 1:19; George Town Primary - 1:14; The Lighthouse School - 1:3; Red Bay Primary - 1:17; Bodden Town Primary - 1:15; North Side Primary - 1:7; East End Primary - 1:13; Savannah Primary - 1:16; Spotts Bay Primary - 1:9; Creek Primary - 1:6, and West End Primary - 1:8.

I had hoped that the Honourable Member would be happy that the district he represents has such a low ratio, rather than attempting to criticise it.

The Speaker: The next question is No. 51, standing in the name of the First Elected Member for Bodden Town.

No 51: Mr. Roy Bodden asked the Honourable Minister responsible for Education and Planning what criteria was used in the selection of the Sun Country Aircraft for the period when the Cayman Airways Limited plane was undergoing maintenance checks.

The Speaker: The Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, the answer: The criteria used in the selection of Sun Pacific to provide a service while Cayman Airways Limited's aircraft were undergoing maintenance was availability, cost and physical condition of the aircraft. In addition, certificates of airworthiness, air operation, registration and insurance are all required to be in order before a charter agreement is signed.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. Can the Honourable Minister say if during this period of usage of the Sun Pacific aircraft there were incidences where the maintenance and air worthiness of the aircraft came into question?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, I understand that these aircraft are licensed under United States laws and all the certificates such as registration, airworthiness, and operations have, as I stated in the answer, complied with those laws. I cannot comment on the United States laws, I am basically passing on information as it was given to us from the authorities in the United States.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Is the Honourable Minister then saying that he is unable to answer the question, or he is unwilling to provide the answer?

The Speaker: Honourable Minister.

Hon. Truman M. Bodden: I thought I answered the question. If he asks it again, I will endeavour to provide the answer.

The Speaker: I think what I heard the Honourable Minister say in reply to the first supplementary appeared to be the information the Member sought.

Do you have another supplementary, Honourable Member? Ask it please.

Mr. Roy Bodden: I will repeat the question, which was: During this period of use of the aircraft was there any incident which called into question its air worthiness or its maintenance record?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: The answer is no.

The Speaker: The next question is No. 52, standing in the of the First Elected Member for Bodden Town.

QUESTION NO. 52

No. 52: Mr. Roy Bodden asked the Honourable Minister responsible for Education and Planning to state the names of the schools and the amounts of Government grants to pre-schools since January 1995.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: The names of the private pre-schools to which grants are paid in respect of pre-school assistance for Caymanian children are as follows:

Pre-Schools	1995	1996
Shauna's	\$ 60,700	\$ 34,100
Miss Nadine's	20,661	8,640
Little People's	16,700	7,200
Cori Sue's	10,800	2,240
Edmer's S.D.A.	4,440	--
Sunny Smile	27,030	19,200
Bothwell's	32,960	30,450
Toy-Box	18,950	8,281
Karen's CCC	26,443	17,850
New Testament	4,900	7,140
Reina's	13,000	8,850
Cayman Prep	2,400	--
Mini-Kids	37,190	16,648
Ren & Ren	25,420	11,100
Cayman Kinder	21,095	7,500
Wesleyan	4,140	3,600
Truth For Youth	8,250	2,250
Loving Care	26,704	1,120
Kiddie Kampus	4,890	6,470
Triple C	19,170	6,378
Little Angels	10,540	4,800
Tiny Tots	19,800	7,800
Wee Care	9,580	6,150

Total Grants to the Pre-schools Assistance Programme for 1995 was \$425,668; and total grants to June 1996 is \$217,767.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. Can the Honourable Minister say if these grants are paid exclusively in respect of pre-school assistance?

The Speaker: The Honourable Minister for Education and Planning

Hon. Truman M. Bodden: Madam Speaker, these are all pre-schools which are all registered. This is assistance to them.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. Can the Honourable Minister say if the sole criterion for this is that these monies are paid as subsidies for the attendance of children to these pre-schools?

The Speaker: The Honourable Minister for Education and Planning

Hon. Truman M. Bodden: Madam Speaker, it is a grant. I do not know what the Member means by "subsidy"; it is money paid to the schools from public funds. It is the same as money paid to the other schools from recurrent funds to educate children as well. There is a difference. This large amount paid here.... These children are not in compulsory education. What is paid to Primary School s is to educate children who would have to be educated in primary schools. There is a direct obligation there.

This arose because the last Government put out 205 children, including those in the Lighthouse School and pre-school system, and totally abolished it. This subsidy was something which had to go to cover them.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

I noticed that the Honourable Minister is confused. May I then ask the Minister to clarify the contention as to what was published in a recent issue of the *Caymanian Compass* that one of these schools, namely, the Tiny Tot academy, received no grant from the Government, and also, what is the difference between what the Minister sometimes calls a "grant" and sometimes a "subsidy"?

Hon. Truman M. Bodden: Madam Speaker, a rose by any other name is just a sweeter rose. The money paid to the pre-schools comes out of public funds to educate children who are not under the compulsory system. Tiny Tots received a grant. It comes out of grants which this House in Finance Committee votes. The Head is 'Grants' and it is the same as with the Primary School s - it is public funds paid to the schools to educate children. There is no difference between them; money is money and it is paid for the same purpose.

The Speaker: The next question is No. 53, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 53

No. 53: Mr. D. Kurt Tibbetts asked the Honourable Minister responsible for Agriculture, Environment, Communications and Works when does Government plan to construct the second building at the new Department of Environment site on North Sound Road.

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker. I seek the indulgence of the Chair to change one word in the answer, instead of it being "February", I would like to refer to 13th May, in my answer. The answer is as follows:

As the Member was informed on 13th May, 1996, during the sitting of Finance Committee, no second building is going to be built.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: The Department of Environment made planning application for this second building. The plan was refused by the Central Planning Authority and the Department gave Notice of Appeal. Can the Minister state if the appeal process was completed and, if so, what was the result of that appeal?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker. As you are aware, a lot of time was spent on this subject during Finance Committee on the 13th of May - which was last month....

The Speaker: Honourable Minister may I stop you for a minute? Are you referring to Members, or are you referring to the Speaker being aware?

Hon. John B. McLean: Madam Speaker, I was just bringing it to the attention of the Chair. I will reword it. The point I am making is that in the Minutes of Finance Committee...and I will draw the Member's attention to the section, which reads as follows: **"Mr. Chairman, I now know where the Member is coming from, He might as well have asked me that question earlier. The building that he is speaking of would have housed some of the staff members, not the administrative staff, but staff such as swampers. It was felt that we would have to house them somewhere else."**

I need not go into this because he knows as well as I do, the problems we have had with the community and the opposition that has been put forward to the Planning Department. As a matter of fact, if it will help the Member I will say that the appeal that was put forward by the Department of Environment has been withdrawn.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker. Having heard what the Honourable Minister just said, I did not hear at any point where he has said that the building is not going to be erected. But in his answer he said "...no second building is going to be erected." Let me ask the Honourable Minister if it means never ever, or simply because there are no funds available at present?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works

Hon. John B. McLean: Thank you, Madam Speaker.

I am going to read again from the Minutes of Finance Committee to show the Member that I did in fact say that the second building was out of the picture. We had no funds to build a second building and the other point was that there had been a lot of opposition to the building. Government had made other arrangements and, therefore, there would be no second building.

I crave your indulgence Madam Speaker, just to lay this on the Table and perhaps the Member can peruse this for himself.

The Speaker: The next question is No. 54, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 54

No 54: Mr. D. Kurt Tibbetts asked the Honourable Minister responsible for Education and Planning if there are plans in process for increasing the staff complement at the George Hicks High School by September 1996.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddien: Madam Speaker, the answer: Both the registration and the staffing process for the George Hicks High School are ongoing. However, should the enrollment increase over the 1995/96 school year, then the staffing will be increased to meet the increased enrollment.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Minister state at what point in time his Ministry will know if the staff enrollment will increase and, whenever the time is, will the Department of Education then have time to recruit staff?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, I am instructed that within another two weeks we should know the complement of the school, and the answer is yes, there is time to get staff.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Minister state if there have been any requests from the administration of that school for additional staff regarding the present need?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, since under the Constitution I am not involved in staffing matters I would have to ask that question of the appropriate departments, the Personnel Department and the Public Service Commission. The Member clearly knows that I do not get involved with staffing matters and under the Constitution. It is a non-political matter dealt with by non-political bodies.

The Speaker: The next question is No. 55, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 55

No. 55: Mr. D. Kurt Tibbetts asked the Honourable Minister responsible for Education and Planning if the Minister is aware that there are several classes at the George Hicks High School with over 35 students each.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman Bodden: Madam Speaker, unfortunately, due to the shortage of time I attempted to have this dealt with over the telephone today and it is not ready. I will have it ready for tomorrow, if I could ask that it be delayed until then.

The Speaker: The Fourth Elected Member.

Mr. D. Kurt Tibbetts: Madam Speaker, unless I am greatly mistaken, I have the written answer in my hand.

The Speaker: I am a bit perturbed about that, Honourable Minister. Can you explain?

Hon. Truman M. Bodden: Madam Speaker, as you know, as the House knows, questions did not come to us until Thursday. Even though they may have been at the Legislative Department from three weeks prior to that and being timed, there were delays. I do not want to get into that, but we only received those questions at the most a day's notice before the end of last week. I had to set down most of the questions to me for today when I dealt with the business of the House in the Business Committee in the hope that I would have gotten these answers ready. I attempted to correct several by telephone before I came to the House and, unfortunately, this one was not properly corrected.

But since it has been handed out, Madam Speaker, I will go ahead and answer it that way.

The answer: The class rolls at the George Hicks High School show that there are four boys' Physical Education classes in Year Eight with more than 35 students. There are no academic classes with more than 35 students at the present time. There are two Set One classes with 33 students and a total of only 10 other classes with 30 or more students. The rolls also show that 120 classes have 20 or fewer students and the Physical Education classes are the exception.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: In the Minister's answer, while making light of the situation, the fact is that there are two classes with 33 students and 10 other classes with 30 or more students. Is the reason for this because of a lack of staff or a lack of physical space?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, it is neither a lack of space nor of a lack of teachers, it has to do with timetabling. If the Honourable Member will note, there are 120 classes that have 20 or less students.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

The Minister just stated that the problem has to do with the timetable. Has anyone made any attempt to correct that situation, even though the Minister has pointedly stated that in comparison there are many classes that have fewer than 20 students? But even though this is a so-called "minor" problem, are there any attempts being made to correct it?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddén: Madam Speaker, this is being looked at in detail for next year. I need to explain how this comes about. It depends upon the students' requests for subjects and sometimes when classes are taken in there are much higher numbers for certain subjects than we anticipated. So there are two problems when dealing with schools within this area: (1) the number of students who come into the classes; and (2) the choices that the students make for that year.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Of Years Seven, Eight and Nine at the George Hicks High School, in which of these years are students allowed to choose their subjects?

The Speaker: The Honourable Minister for Education.

Hon. Truman M. Boddén: Madam Speaker, in all three of the Years.

The Speaker: The next question is No. 56, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 56

No. 56: Mr. Gilbert A. McLean asked the Honourable Third Official Member responsible for Finance and Development what disbursements, if any, have been paid to the vendor of the Cayman Foods building and the First Baptist Church building.

The Speaker: The Honourable Third Official Member for Finance and Development.

Hon. George A. McCarthy: Madam Speaker, no payments to either vendors have been made to date.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Seeing that on the 13th of the month just passed it was approved that certain sums of money would be paid to persons associated with these two properties, are there any agreements as to when money will be paid?

The Speaker: The Honourable Third Official Member for Finance and Development.

Hon. George A. McCarthy: Madam Speaker, any payment to be made would have to be after the Loan Bill, which is set down to be dealt with in this Honourable House, has been finalised.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: According to a letter from the Minister for Education yesterday in our local newspaper, it in effect stated that money might not be paid at all for these properties. Is it not the case that when Government comes seeking funds for a specific purpose, such as the purchase of the Cayman Foods building or the Baptist Church, that is what Finance Committee gave its approval to do?

The Speaker: The Honourable Third Official Member for Finance and Development.

Hon. George A. McCarthy: Yes, Madam Speaker, during the course of any meeting of Finance Committee approval for funds to be disbursed would normally be given. But in this instance, because the expenditures have been linked to the Loan Bill, in order to ensure proper cash-flow management it is essential that the funds are in hand before disbursements are made.

The Speaker: The next question is No. 57, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 57

No. 57: Mr. Gilbert A. McLean asked the Honourable Third Official Member responsible for Finance and Development if there is a legally prescribed percentage that a bank can lend to any one borrower with regard to either their deposits or capital in the bank.

The Speaker: The Honourable Third Official Member for Finance and Development.

Hon. George A. McCarthy: Madam Speaker, the answer: The Banks and Trust Companies Law does not prescribe what percentage of a bank's capital or deposits may be lent to any one borrower. There are, however, lending guidelines established by the Financial Services Supervision Department (in terms of capital) to which a licensee must adhere.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Honourable Member tell the House what this guideline is in relation to how much any single borrower can make, as it concerns the original question.

The Speaker: The Honourable Third Official Member for Finance and Development.

Hon. George A. McCarthy : Madam Speaker, under the guidelines a bank in relationship to its capital may lend 10% or more for medium- or long-term loans, and this is normally done with collateral. Another area in which lending may take place is up to 25% for short-term loans which are normally 180 days or less. These are in relation to self-liquidating loans. A further provision is for up to 50% for loans which are 100% backed by cash, provided that both the deposit and the loan are made in the same country and currency with matching maturities, and an outside legal opinion confirms that the agreement includes a legally binding right of setoff between deposit and the loan.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Thank you, Madam Speaker.

According to what the Member has just said, it seems that 50% would be the highest amount that could be loaned, meeting the other requirements as he has stated. If a bank in the Cayman Islands was lending 80% of its capital to any one borrower who did not have that, would it then be in breach of the requirements of the Banks and Trust Law?

The Speaker: The Honourable Third Official Member for Finance and Development.

Hon. George A. McCarthy: Madam Speaker, I have been made to understand that the conditions that I have just outlined can be exceeded. It depends on the nature of the institution, particularly where the institution is a subsidiary of an overseas institution and the overseas institution guarantees exposure of the local entity.

The Speaker: The next question is No. 58, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

Hon. Truman M. Bodden: Madam Speaker, before that question is asked, may I ask for it to be set down at another time in the name of the Minister for Communications and Works, please?

The Speaker: Could I just put the question first? The Member will read it...

Hon. Truman M. Bodden: I just did not want the Captain to hand this one out if he had it.

The Speaker: ...and then when you are called upon to reply you can do so. Thank you.

Question No. 58, Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Madam Speaker, I was not aware that we had a Captain handing out papers in the House. I thought we had a Serjeant-at-Arms.

The Speaker: Well, that is splitting hairs either way.

QUESTION NO. 58

No. 58: Mr. Gilbert A. McLean asked the Honourable Minister responsible for Education and Planning what is the detailed breakdown of costs amounting to \$717,653 for the construction of four classes at the Savannah and George Town Primary Schools.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, that reference was, in fact, to the Serjeant-at-Arms. I affectionately call him (unofficially) the Captain. I apologise for that.

Madam Speaker, I would ask that that question be set down in the name of the Minister for Agriculture, Environment, Communications and Works who will answer it. Thank you.

The Speaker: So you would wish for that to be set down for another day?

Hon. Truman M. Bodden: For another date, Madam Speaker.

QUESTION NO. 58

(Deferred)

The Speaker: The question is that Parliamentary Question No. 58 be set down for another date, and that the question be answered by the Honourable Minister for Agriculture, Environment, Communications and Works.

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

AYES.

The Speaker: The Ayes have it.

AGREED: QUESTION NO. 58 DEFERRED.

The Speaker: That concludes Question Time for this morning.

Proceeding to Government Business, Bills. First Readings.

GOVERNMENT BUSINESS

BILLS

FIRST READING

LEGAL PRACTITIONERS (AMENDMENTS) BILL, 1996

Clerk: The Legal Practitioners (Amendments) Bill, 1996.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

PENSIONS (AMENDMENT) BILL, 1996

Clerk: The Pensions (Amendment) Bill, 1996.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

Suspension of Standing Order 46 - Reading of Bills. Who is dealing with the Fire Brigade Bill? Honourable Minister for Education and Planning, will you move the suspension of Standing Orders?

SUSPENSION OF STANDING ORDER S (Standing Order 46)

Hon. Truman M. Bodden: Madam Speaker, I move the suspension of Standing Order 46 to allow this Bill to be taken.

The Speaker: I think it would refer to the three Bills to be given First Reading.

Hon. Truman M. Bodden: Madam Speaker, I move the suspension of Standing Order 46 in relation to the Fire Brigade (Amendment) Bill, 1996; the Loan (Capital Projects) Bill, 1996; and the Loan (Capital Projects) 1993 (Amendment) Bill, 1996.

The Speaker: The question is that Standing Order 46 be suspended in order for The Fire Brigade (Amendment) Bill, 1996; The Loan (Capital Projects) Bill, 1996; and The Loan (Capital Projects) 1993 (Amendment) Bill, 1996, to be given a First Reading.

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

AYES.

The Speaker: The Ayes have it. Standing Order 46 has accordingly been suspended.

AGREED: STANDING ORDER 46 SUSPENDED.

The Speaker: First Readings continuing.

FIRE BRIGADE (AMENDMENT) BILL, 1996

Clerk: The Fire Brigade (Amendment) Bill, 1996.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

LOAN (CAPITAL PROJECTS) BILL, 1996

Clerk: The Loan (Capital Projects) Bill, 1996.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

LOAN (CAPITAL PROJECTS) 1993 (AMENDMENT) BILL, 1996

Clerk: The Loan (Capital Projects) 1993 (Amendment) Bill, 1996.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

SECOND READINGS

LEGAL PRACTITIONERS (AMENDMENT) BILL, 1996

Clerk: The Legal Practitioners (Amendment) Bill, 1996.

The Speaker: The Honourable Second Official Member.

Hon. Richard H. Coles : Madam Speaker, I would like to move that a Bill entitled a Bill for a Law to Amend the Legal Practitioners Law (1995 Revision) be given a Second Reading.

The Speaker: So ordered.

(10.51 AM)

Hon. Richard H. Coles: Madam Speaker, this Bill seeks to amend the Legal Practitioners Law to allow firms of attorneys in the Cayman Islands to incorporate their practices under the Law, and Regulations will be brought in by the Governor-in-Council to set up the parameters for this as shown in the amending Bill before the House.

This amending legislation was brought forward by the Government at the request of local attorneys and, in particular, the Cayman Islands Law Society and the Caymanian Bar Association. The amendment was, of course, drafted by the Legislative Council, as is normal, and the Bill has been commented upon by both the Cayman Islands Law Society and the Caymanian Bar Association.

The Bill, as I have stated, will allow regulations to be made by the Governor-in-Council prescribing the way in which firms of attorneys practising in the Cayman Islands may be incorporated, that is, to enable them to be incorporated with limited liability.

At the present time attorneys can either practice as sole practitioners on their own account, or in unlimited partnership. That does have certain repercussions in the event of any action being brought against attorneys for negligence or, indeed, any other claim against the firm. It has proved more of a problem in recent years because of the very high awards being made in respect of professional practice claims in the United States. That is not just limited to lawyers, but extends to both accountants and, in particular, the medical profession.

To pre-empt any difficulty here in Grand Cayman, this amendment was considered desirable. I would has-

ten to add that the clients of attorneys will not suffer as a result of this amendment, neither will they have their ability to claim against an attorney for work that is done incorrectly inhibited in any way. What this Bill will do is to limit the liability between Cayman Islands' attorneys *inter se*, that is to say among themselves. So it will mean, for example, that although one attorney still remains liable for the work that he undertakes on behalf of a client, if he/she defaults and there is an action brought, then the liability of his/her partners and associates in the firm will be limited by the limited liability of the incorporated partnership. In other words, partners will not, if they take advantage of this amendment, necessarily be liable to the full extent of their personal assets for the deeds of others within the firm. I hope I have managed to explain that without getting too involved.

The regulations which will come into effect when they are passed by the Governor-in-Council (and I would add, Madam speaker, that they have, of course, already been drafted and some consultation has taken place with the professional organisations in Cayman, and that is continuing) will provide for certain basic requirements. Probably the most important is that there will be compulsory professional indemnity insurance for these incorporated firms. That is something that is not compulsory at the present time. Most firms of attorneys in Cayman do carry their own professional indemnity insurance because as a matter of commercial sense it is very wise for them to do so. But there is no statutory requirement for that. However, if they choose to take advantage of this amendment and incorporate their practices, there will be a statutory requirement. I am consulting with those professional bodies at the moment to establish what would be the right level of insurance coverage.

The incorporation will also be limited exclusively to attorneys who are admitted to practice in the Cayman Islands. No others will be allowed to be members of the company, that is to say, shareholders in the incorporated company, neither will they be allowed to be directors. So it is entirely qualified attorneys who will comprise these corporations.

They will also have to identify the fact of incorporation to their clients and that will probably be done by means of some notice on their note paper and other professional communications to clients, so that those who are dealing with the firm will be fully aware that they are dealing with an incorporated practice and not with just an unlimited partnership. Again, the form of wording is something that we are still working on.

Madam Speaker, I think I have covered most of the sections within the amendment Bill. It does refer to section 10 of the substantive Law, not applying to a recognised body. For the information of Members, section 10 is the section that prohibits anyone other than a qualified attorney from carrying out certain acts, particularly representing someone in court in Cayman, or drawing up various documents for reward. The recognised body incorporated under this amendment will be exempt from that provision. In other words, it will be authorised to carry out those acts.

The final provision in here, the new section 22, gives details of maximum fines that can be levied in the event any incorporated firm contravenes this Law, in other words, is incorporated without complying with this law or with the regulations.

Madam Speaker, I hope that I have given enough information without getting too technical, and if Members have any comments or questions, I will do my best to address them. Thank you.

The Speaker: The question is that the Bill entitled the Legal Practitioners (Amendment) Bill, 1996, be given a second reading. The motion is open for debate.

If there is no debate, I do not know if the Second Official Member would wish to add anything.

Hon. Richard H. Coles: Not at this time, Madam Speaker.

The Speaker: The next Bill is the Pensions (Amendment) Bill, 1996.

PENSIONS (AMENDMENT) BILL, 1996

Clerk: The Pensions (Amendment) Bill, 1996.

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, I beg to move the Second Reading of a Bill entitled, A Bill for a Law to Amend the Pensions Law (1995 Revision).

The Speaker: So ordered. The Honourable Third Official Member.

(11.02 AM)

Hon. George A. McCarthy: Madam Speaker, as Honourable Members are aware, discrimination against female officers within the Civil Service has been an issue for some time. Although we have made some progress towards eliminating discrimination by amending the Civil Service General Orders, it still exists under the provisions of the Pensions Law. It is therefore imperative that this matter be addressed now to ensure that the Civil Service provides equal employment opportunities for both its male and female officers. Accordingly, I hereby present to this Honourable House the Pensions (Amendment) Bill, 1996, the main purpose of which is to repeal those sections of the Law which make distinction between male and female pensioners and pensionable officers.

In addition to the proceeding amendments, the Bill also provides for an increase in the rate of Government's contribution to the Public Service Pensions Fund. The current rate of its contribution is 4% of each employee's salary or wage, and Government has undertaken to increase this to 6%. In doing so, the Fund will provide benefits for all male and female pensionable employees

and their dependants, and the Government is committed to supporting the eventual implementation of a fully funded pension scheme.

There are 12 clauses in the Bill which detail the amendments made to the various sections of the Pensions Law, 1995. For ease of reference I have attempted to provide a brief summary of the various sections of the Pensions Law that are to be changed, and to point out the changes that will be made in accordance with the relevant clauses of the Bill.

Clause 1 of the Bill provides for an amendment to section 1 of the Pensions Law which sets out the title of the Law. It is proposed that the Law be called the "Pensions (Amendment) Law, 1996."

Clause 2 of the Bill provides for an amendment to section 2 of the Pensions Law, which lists in alphabetical order certain contexts within the Law, and provides for a definition of the same. The Bill adds "spouse" to the list of contexts and provides its definition.

Clause 3 of the Bill amends section 10 of the Pensions Law which states that contributions to the Fund shall be made by contributors (persons employed in the Public Service under the Government of the Islands on pensionable terms, and the Government). It also states that contributors and the Government shall contribute to the Fund in equal proportions (that will be 4% of the contributor's basic salary or wage). The amendment to this section provides for Government to increase its contribution on behalf of each contributor from 4% to 6%. This will also apply to statutory authorities.

Clause 4 of the Bill amends section 15 of the Pensions Law which currently sets out the circumstances in which a pension may be granted. This section also has a proviso which provides for gratuity to a female officer where such an officer resigns from the Service upon marriage or is required to retire on account of her marriage. The Bill proposes that this proviso be repealed.

Clause 5 amends section 17 of the Pensions Law which provides the grounds on which a person may retire from the Service. One of the grounds for retirement in the case of a female officer is on account of her marriage. The Bill amends the Law to provide that a female officer shall not be compelled to resign from the Service because of her marriage.

Clause 6 amends section 21 of the Pensions Law which states that "**pensions cannot be assignable or transferable except for the purpose of satisfying a debt due to Government or on an order of the Court for the payment of periodical sums of money towards the maintenance of the wife, former wife, or minor child of the officer.**"

Section 21 will be amended by deleting the word "wife" and substituting the word "spouse".

Clause 7 amends section 22(3) of the Pensions Law which states that "**where a pension or other allowance ceases as a result of a person being adjudicated bankrupt, then the Governor or Secretary of State shall direct the payment of the pension or allowance that the person would have been entitled had he/she not become bankrupt or insolvent to the**

maintenance or benefit of the wife, child, children, or other dependants as the Governor may determine."

This section of the Pensions Law will be deleted and a new subsection will be created. In this new subsection a husband of a female officer is included among the dependants to whom the Governor or Secretary of State may direct the payments of money to which an officer would have been entitled, had that officer not been declared bankrupt or insolvent.

Clause 8 amends the Pensions Law by repealing section 26 and substituting a new section 26. Section 26 provides for pensions to be paid to dependants of a male officer which include a widow, a mother, or a child and children where such officer is killed on duty. The new section 26 provides for the payment of pensions to dependants where an officer - male or female - is killed while on duty.

In accordance with this amendment a widower is now entitled to a pension, or a part thereof, to which his spouse would have been entitled. Further, the father of an officer who was wholly or mainly dependent on the officer for financial support may be granted a portion of a pension on the death of the officer.

Clause 9 repeals section 27 of the Pensions Law and replaces it with a new section 27. Section 27 of the Pensions Law provides for a pension to be payable to the widow and children on the death of a male pensioner or pensionable officer who has completed ten years of pensionable service. The new section 27 provides for the payment of a pension to the widow, widower, and children of a male or female pensioner or pensionable officer.

Clause 10 of the Bill repeals section 28 of the Pensions Law which provides for the payment of pensions to the children of a female pensionable officer who has completed ten years' pensionable service and who dies without leaving a surviving husband.

Clause 11 amends section 29 of the Pensions Law which specifies the person to whom a pension may be paid for the benefit of children entitled to such pension. These persons include a mother, or a legal guardian of the children. This section of the Law will be amended by including a father among the persons to whom such pension may be paid.

Clause 12 of the Bill amends the First Schedule to the Pensions Law by deleting regulations 7 and 14 which both deal with marriage gratuities to be paid to a female officer having held a pensionable or non-pensionable office and who resigns from the Service on or with a view to marriage, or is required to retire from the service on account of her marriage.

Regulation 21D of the First Schedule of the Pensions Law relates to service of an officer other than a pensionable officer, which if taken into account under this regulation, the officer shall be deemed to be holding a pensionable office. This regulation is amended by deleting reference to regulation 7 which, as amended above, is to be repealed.

Regulation 28 of the First Schedule deals with the payment of ex-gratia allowances to Caymanians who have held an office in the service of the Islands.

Paragraph 9 of this regulation states that the provision of the Law relating to the payment of pensions or other benefits under the Law, including the circumstances in which benefits cease to become payable, shall apply to payment of ex-gratia allowances. This regulation is amended in paragraph 9 by including the word "widower" in line three of that paragraph.

I would like to take the opportunity, at this point, to mention that a further amendment will be moved during the Committee stage on this Bill which seeks to place group employees on the same level as persons who are presently on the permanent and pensionable establishment.

At this time, group employees who qualify for a pension are entitled to 3/4 of the pension that is payable to a person who is on the permanent and pensionable establishment. As Members are aware, during the 1940s and through the 1970s, group employees were considered as part of Government's temporary work force. However, in more current times group employees are employed full-time and have often completed long years of service. The current Pensions Law only allows for group employees to receive 3/4 of the pension which a pensionable officer would receive. Therefore, there is a need for changing that concept of group employee and, in particular, the pensionable benefits to such officers.

These amendments will invariably have the effect of increasing the Government's pension obligation. This will require that an actuarial assessment be made in early 1997, at the latest, taking into account these additional provisions that are now being made. As Members will recall, a copy of the Wyatt Actuarial Report was circulated to Members in this House, I think during the course of 1995. All of these amendments would suggest that those figures will be substantially increased.

It is important that at the end of the day equity prevails. Accordingly, the Government recognises that the changes to the Pensions Law to eliminate discrimination, especially against female pensionable officers, have been long overdue. I commend this Bill to Honourable Members.

The Speaker: The question is that a Bill entitled The Pensions (Amendment) Bill, 1996, be given a Second Reading. The Motion is open for debate.

The Second Elected Member for Cayman Brac and Little Cayman.

(11.15 AM)

Mr. Gilbert A. McLean: Madam Speaker, I am pleased to see this Bill which amends the Pensions Law. Some of the clauses it proposes to amend will remove the discrimination that exists up until this time against women.

I remember that back in the 1970s representation was made through the Cayman Islands Civil Service Association on matters which related to female officers

in the Civil Service, and it was most obvious that the Law had many clauses that were biased towards male officers. Recommendations were made then, and in several instances, that they should be changed. Nothing happened. I suppose one might say nothing happens before its time.

I am happy to see the changes that have been proposed here which, I daresay, will be passed today.

The Financial Secretary mentioned that consideration has also been given to include persons who have worked in the Civil Service for long periods of time for pensions even though they are not on what is termed the "permanent and pensionable establishment." I believe it is a modern view. It is a sound, sensible and fair thing to do, for there is a large percentage of Government employees who do not fall in the category of permanent and pensionable establishment, but, of course, they have been working upward of 20-odd years.

I have a concern with the amendment which deals with the increase in money paid by Government, that of 6%, into the Pension Fund. That is highly under funded. When the Bill says that "Government will pay 6% for each contributor's basic salary or wage" (as the case may be), what we are talking about here is a greater increase on the recurrent revenue of the country. I think most of us know that pensioners have first call on the revenue; therefore pensions must be paid irrespective of what else gets paid.

It is my understanding that the philosophy behind that is that such persons have worked for what they are due in their pension, thus it is considered fair that they should receive what they have worked so many years for. However, I believe that Government needs to look seriously at having the Public Service included in a National Pension Scheme, because that group of people represents the largest single group of employees in the country. Of course, the Pension Fund being underfunded is putting increasing strain on the revenue of this country. There needs to be some means by which public employees receive what they have worked for, and what is due to them when they retire for whatever reason. It should not be in the present fashion it is where the Government is attempting to pay as they go.

This increase in the revenue of the country increases the liability of Government, and by Government simply trying to pay 6% more to increase the amount in the Fund is not funding it to cover all pensions that are now a liability to Government. That particular aspect, I think after an actuarial review, needs to be looked at seriously. There is talk now about a Pension Bill that is coming before this House. I think the Civil Service should not be indefinitely kept as a group where there is mounting liability, not having the benefit of what could possibly be done through having them included in a wider and more comprehensive scheme.

Madam Speaker, on that note I give this Bill my support. Thank you.

The Speaker: The Member for North Side.

(11.23 AM)

Mrs. Edna M. Moyle: Thank you, Madam Speaker.

My contribution will be very short. I am one Member of this Parliament who, since the day I was elected, has sought and worked towards the removal of discrimination against female officers in the Civil Service. Today is a day for all female civil servants in the Cayman Islands to be proud of. To say that it has come about in the 1990s is... as the Second Elected Member for Cayman Brac and Little Cayman said, "I guess once it is here, it is here and it is not too late."

There is one point I see in the Memorandum of Objects and Reasons that I would like clarification on. It says: "Clause 8 amends the Pensions Law by repealing section 26 and substituting.... the father of an officer who was wholly or mainly dependent upon the officer for financial support may be granted a portion of a pension on the death of the officer." When I looked in the Law, it refers to both mother and father. I wonder where the mistake is, whether it is in the Memorandum of Objects and Reasons or whether it is in the body of the Law. I would ask the Honourable Financial Secretary to clear that up in his reply.

I congratulate him in bringing this amendment which is long overdue to female officers in the Civil Service.

The Speaker: The Honourable Minister for Education and Planning.

(11.25 AM)

Hon. Truman M. Bodden: Madam Speaker, I support this Bill. I know that it has been driven to a large extent by the three lady Members in the House, and I believe it is also approved by the fourth lady Member - you, Madam Speaker - although I know you are in a different position. The equality under this Law is important to ensure that ladies who are in the Government Service have equal rights as their male counterparts. I fully support the removal of the differences between male and female under the Law.

The question of Government's pensions being underfunded is a matter which, unfortunately, governments over the past years did not take seriously. The only serious move at attempting to bridge the gap has been taken by this Government. I believe we (when I say that, this Legislature not just the Government), have gone further in Finance Committee to appropriate funds that can be applied towards bridging the gap between the unfunded part of the pension fund and bringing it up to a fully funded position.

As far as I can remember, the contingent liability when we came into Government was probably \$50 or \$60 million (give or take a few million, it does not matter). We have now started to cover the unfunded part by past governments.

I feel very strongly that Government should press on (not just us, because it is going to take successive

governments to do this) to fully fund the Pensions Fund. I tried, when we were dealing with amendments to the Constitution, to have it entrenched in the Constitution that pension funds were segregated and could not be used by Government. Unfortunately, I was not able to get that included in the Constitution even though a section was put in that dealt with a Savings of Rights in relation to pensions.

The money that is paid in by civil servants has to be funds that will be held in trust by the Government for them. I know that the Honourable Financial Secretary has now segregated that amount into a separate account.

I remember when I was on the Backbench a few years ago, and the Government was in serious financial problems, they added as reserves the money that was held for pensions. I fought that strongly. I am happy that the Financial Secretary has now separated the funds, because those funds are for civil servants' pensions and should not be touched by Government or taken into the overall financial position of Government.

I fully support this Bill. I know that the National Pensions Bill that my Honourable colleague is going to bring in this Meeting will also deal with areas relating to the general public. I would say that the civil servants should be given a choice as to whether they wish to remain with the pension scheme they have, or whether they wish to choose other pensions. I am not going any further into this, but I just say that because I know the Second Elected Member for Cayman Brac and Little Cayman raised the issue.

I should point out that the Civil Service and the Pensions Fund are matters for the Governor under the Constitution. It is really up to them to speak to the Honourable Chief Secretary and perhaps to sort out what is best for the Service.

Other than saying that, I am a very strong supporter of separating the payments for pensions by civil servants from anything that a politician can touch. While I know that we will not touch it, we never know in the future who will. So it is for their safeguard. It would have been much better if I could have gotten it entrenched in the Constitution. Even though I did get the Savings of Rights entrenched in the Constitution, which I think is quite a considerable achievement.

I support this Bill. I think that the three lady Members have a glorious day. This is one of the several things that they have been able to bring into the House to make men and women equal, as we all are.

Thank you.

The Speaker: Perhaps this would be a convenient time to take the suspension for 15 minutes.

Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.32 AM

PROCEEDINGS RESUMED AT 12.07 PM

The Speaker: Please be seated. Debate continues on the Pensions (Amendment) Bill, 1996.

The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker.

I rise to make my short contribution to a Bill to amend the Pensions Law. I would not like to be repetitious in going over the discriminating clauses that have been removed, but I will say that I am very pleased to see that they have been removed and that the Law will be equal to all in the near future.

I have a few questions, and perhaps the presenter of this Bill could answer them in his reply. The rate of contribution is 4% for the contributor and 6% for the Government. I wonder if he could explain the rate at which these were derived. Also, under section 26, subsection (1), paragraph (c), subparagraphs (i) and (v) mention is made that "**the officer's annual emoluments at the date of the officer's injury, or \$30 a year whichever is the greater,**" this seems to be a very small amount. Again, I wonder how this figure was arrived at.

As one of the previous speakers mentioned, I, too, would like to see the Public Service included in the National Pensions Scheme. Perhaps this will take place when a national pension scheme is presented and the Government will become a part of that.

According to the Wyatt Actuarial Report, which was presented to this Honourable House sometime last year, the present Fund is very underfunded, and it would take quite a large sum to bring it up. However, as I understand, the Government is not taking from the Pensions Fund at this time, but it comes out of the general fund for pensions. Then I am sure the Fund will slowly be brought up and be funded. As it is presently, it is very underfunded. Hopefully this will catch up in the near future.

Madam Speaker, I support the amendment to the Pensions Law and give it my wholehearted support.

Thank you.

The Speaker: The Honourable Minister for Tourism, Environment and Planning. I must apologise, I saw you standing just before we took the suspension. I wondered whether you were coming in or going out.

(12.09 PM)

Hon. Thomas C. Jefferson: Madam Speaker, I am happy to accept your apology. I rise to support the Bill for a Law to Amend the Pensions Law, 1995. It begins to put into place what the female civil servants should have had for many a day. However, as they have said, there is a time for when these things occur, and, to some extent, nothing happens before its time.

I believe the Government is moving forward in the right way to ensure that the Pensions Law gives equal treatment to male and female civil servants.

I have to commend the lady Members for bringing the Motion before the House, and the three lady Members who are in complete support of this Bill. I am sure I can assume without the possibility of correction, that you, being a former civil servant yourself, are happy to see this Bill before the House. I do not believe there is need for any long speech, but I believe the women of this country deserve equal treatment. I totally support this Bill along with the female population of this country.

The Speaker: The Honourable First Official Member for Internal and External Affairs.

(12.11 PM)

Hon. James M. Ryan: Thank you, Madam Speaker.

I rise to offer my support to A Bill for a Law to Amend the Pensions Law, 1995. I am very happy to see it before this House today. I am particularly pleased that it is going to be addressing the anomaly that has long been in place - discrimination against female civil servants.

I would like to commend and congratulate the lady Members of this Honourable House for their efforts in this regard. I would also like to commend the many female civil servants who have championed this cause, one, in particular, the former Permanent Secretary of the Personnel Department, now the District Commissioner of Cayman Brac, Mrs. Jenny Manderson. She has long pressed for this and I believe that it will be welcomed by all.

I am also happy that the Bill has started to address the matter of pension contributions. It is a step in the right direction. As other Honourable Members and Ministers have said, there is still a way to go, and I trust that we will see it addressed in the near future so that civil servants can be assured of their pensions at the end of the day.

I am also pleased, Madam Speaker, that my colleague, the Honourable Third Official Member, is going to move the amendment during Committee stage to include group employees along with their established colleagues in the Service for equality in pensions. This is another anomaly that has been around for a long time, and I am pleased that we will see this come about. It will, indeed, be a great encouragement to the many group employees who have served, and who will continue to serve, in this country. Their contributions are just as important as the contributions of those persons on the permanent and pensionable establishment. Without further ado, I offer my full support to this Bill.

The Speaker: The Third Elected Member for Bodden Town.

(12.15 PM)

Miss Heather D. Bodden: Thank you, Madam Speaker.

I rise to offer my support to this Bill. Today is a great step forward for the women of this country. I

pledge to continue to support any other legislation that may be brought forward for the betterment of women in these islands.

I would also like to take this opportunity to thank the Members and Ministers for making this possible.

Thank you.

The Speaker: The First Elected Member for Cayman Brac and Little Cayman.

(12.16 PM)

Capt. Mabry S. Kirkconnell: Thank you, Madam Speaker.

I rise to give my full support to this amendment to the Pensions Law, 1995. During the number of years that I have been in this House, I have been a great advocate for equality between male and female civil servants. I have seen cases in my own district (and here in Grand Cayman as well) where hardships were created because of the way the Civil Service Regulations and also the Pensions Law had been written.

I would like to congratulate the Honourable Third Official Member and the entire Executive Council for bringing this amendment to the House today. I am also very happy to know that the Government is addressing the need to increase the funding ability of the Pensions Fund. I was a Member of the Government which voted in support of the initial establishment of a separate pension fund. It is sad that that was not done some 10 or 20 years before. Nevertheless, hindsight is 20/20, and we are grateful that it is now a reality. This increase in the percentage will contribute towards it.

I would also like to say that I felt for many years that group employees should have been addressed and placed in a permanent establishment. Many of them have made a career out of working for Public Works. This is true in my district, and it is true here in Grand Cayman. It was not their choice not to be on the permanent and pensionable establishment but they continued to be paid on the basis of group employment. Then, upon reaching retirement age, they had to go through hassles to prove their eligibility to receive remuneration from the Government in the form of gratuity or pension. I am happy that the Honourable Third Official Member has brought a motion to amend this Bill. I certainly give that my full support.

I congratulate the House in passing the motion, the lady Members in bringing the motion. I know it is a great day for the female employees of the Civil Service. With these words, Madam Speaker, I give this Bill my full support.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

(12.19 PM)

Hon. Anthony S. Eden: Thank you, Madam Speaker.

I, too, rise to give my full support to this far-reaching amendment to the Pensions Law. Other Governments in the past have paid lip-service to correcting this anomaly in the Law. This is the first Government to put words into action.

As mentioned in clause 3, with the amendment to section 10 of the Law, this Government will increase its contribution on behalf of each contributor from 4% to 6%. Once again we are doing this to make things better for our dedicated civil servants. This Bill has my full support.

The Speaker: The First Elected Member for Bodden Town.

(12.20 PM)

Mr. Roy Bodden: Thank you, Madam Speaker.

It seems that this Bill has unanimous support among the Honourable Members of this House. That is as it should be, since it seems that pensions have assumed pivotal importance in our society at this time. On the threshold of the 21st century, this, too, is as it should be.

What the Bill seeks to do is to address some anomalies that have long existed in this society. While it is true that many promises were made by previous political directorates, the time has come when this Parliament is now in a position to take the bull by the horns, so to speak.

I am happy that this Bill will, to a great extent, equalise the system among the two genders and will serve as ample encouragement to those females who have laboured long, hard and conscientiously, sometimes under the most adverse circumstances, to keep the Civil Service arm of Government functioning. It gives me not a little pleasure to stand up and say that I, too, am happy to add my small portion in support of their labours which have long gone unheralded in this respect.

I am also happy to know that the Government is at last taking the opportunity to increase the funding of civil servants' pensions which, as we all know, have been grossly under-funded for some time now. This attempt to increase the contribution will still not be the ideal, but it is a step and it has to be appreciated as a recognition that something needs to be done. I can only hope that we find ourselves in the fortunate position where we can continue to make these increases so that we can bring the funding up to the level where the Pensions Fund should be.

Madam Speaker, I am happy to lend my support to ventures such as these, and I hope that the good Lord prospers us so that we may continue to make these kinds of moves.

Thank you.

The Speaker: If there is no further debate, I would ask the Honourable Third Official Member to reply.

(12.25 PM)

Hon. George A. McCarthy: Madam Speaker, I would like to thank all the Honourable Members of this House for their overwhelming support of this Bill.

I think I will start by observing the comment made by the First Elected Member for Bodden Town, in which he has said that what this Bill seeks to do is to eliminate some of the anomalies. This means that we have now put ourselves into a forward mode, in that we are underway with action that is necessary to address some of these problems associated with the Government's pension obligations.

The Second Elected Member for Cayman Brac and Little Cayman said that the increase of the contribution from 4% to 6% will represent a further burden on the Government's coffers. This will definitely be the case. We know that to correctly address this situation in the future it will require that further demands be made upon the revenue sources of Government. We do recognise that this is an obligation which cannot be shunted aside; it is one that will have to be dealt with. If we were to go back in time, we would find that past governments recognised the need for action to be taken in this regard. In 1991 a decision was taken to establish the Pensions Fund. I think at that time the Law was also revised, or certain aspects of it. It was at that time that a decision was taken that the Government should start the Fund by making a contribution amounting to a sum of 8% of employees' salaries. It was agreed that of this sum, 4% would be paid by the employees and 4% by the Government.

The question was raised by the Second Elected Member for George Town, as to the basis of the increase from 4% to 6%, and what that is based on. It is not based on any scientific formula, only that any increase in the fund over time will reduce the Government's overall liability under the Pensions Fund.

Going back to the Wyatt Report which was tabled in this House in 1995, it was suggested at that time that if the Government took into account the liability in respect of the past service costs and if the Government decides at any time to put in place the necessary funding arrangements to take into account the funding of the past obligations plus the present service costs, that would require having to contribute in excess of 20% of employees' salaries. So the overall contribution into the Fund will be in the region of 10%. But I should say that the situation as it is, is just an interim measure and work is presently being done at this time which is drawing on the resources of the Chief Secretary's Office.

The Chief Secretary and I recently had a meeting with the Pensions Board, and this is an area that we are reviewing with a view to putting forward a proposal to the Government. The Government has also made a request that this be done so that we can keep abreast of the liability, and also, to see what interim measures can be put in place in order to develop a programme to ensure that in time a fully funded pension scheme will be implemented.

We know that the longer this is left unattended, the greater the increase will be in liability. I believe that this

Government (or any government) will continue to show a commitment to addressing this very sensitive area. From the indications today in this Honourable House it can be seen that whatever reasonable measures are introduced will have the support of all Honourable Members.

The Member for North Side raised a question as to whether there was a discrepancy between the amending clause in the Bill and the reference section to that clause in the Memorandum of Objects and Reasons. This is under clause 8 which amends section 26 of the Law, and has to do with the payment of a pension to the father of an officer who dies in the line of duty without leaving a spouse, and whether it was an oversight in excluding reference to the mother. It is not an oversight, because the present Law provides for such a payment to be made to the mother of an officer who dies in the line of duty. So this amendment is to include the father.

I will not attempt to address the issues associated with the deficiency in the Pensions Fund, because there will be recurring issues that will be coming to the Legislative Assembly until they are fully addressed. I should say, very briefly, that we have taken a decision that there is a need to have a further actuarial assessment of the Government's pension obligations done at this time. For the mere reason that on each occasion (such as what we are now doing) where benefits are increased to spouses of both genders, where we are also including the group employees, it means that that will further increase the liability under the Pensions Fund and also increase the urgency for the deficiencies to be addressed.

Madam Speaker, I would like to thank Members for their support.

The Speaker: The question is, that the Bill entitled, the Pensions (Amendment) Bill, 1996, be given a Second Reading.

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

AYES.

The Speaker: The Ayes have it.

AGREED: THE PENSIONS (AMENDMENT) BILL, 1996, GIVEN A SECOND READING.

The Speaker: It is necessary to correct an omission. I did not put the question on the Second Reading of the Legal Practitioners Bill. This was drawn to my attention by the Clerk and I would like to put the question on the Second Reading on that Bill.

I shall put the question, that the Legal Practitioners (Amendment) Bill, 1996, be given a Second Reading.

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

AYES.

The Speaker: They Ayes have it.

AGREED: THE LEGAL PRACTITIONERS (AMENDMENT) BILL, 1996, GIVEN A SECOND READING.

The Speaker: Second Readings continuing.

FIRE BRIGADE (AMENDMENT) BILL, 1996

Clerk: The Fire Brigade (Amendment) Bill, 1996.

The Speaker: The Honourable Minister for Tourism, Aviation and Commerce.

(12.33 PM)

Hon. Thomas C. Jefferson: Thank you, Madam Speaker.

I beg to move the second reading of a Bill for a Law to Amend the Fire Brigade Law, (1995 Revision). The Bill will make several amendments to the Fire Brigade Law (1995 Revision).

Since the original enactment of the Fire Brigade Law in 1979, development in the Cayman Islands has brought a widening in the responsibilities of the Brigade which now, in addition to fire fighting and prevention, undertakes the rescue of persons involved in vehicular accidents and other dangerous events such as chemical spills. This Bill seeks to give statutory recognition to these new functions and to provide the basis for the promulgation of a modern and comprehensive Fire Code.

Clause 1 gives the short title of the Bill and provides for its commencement to be fixed by order of the Governor in Council.

Clause 2 alters certain definitions in the Law to take into account the changed functions of the Brigade, which I will refer specifically to in a minute.

Clause 3 adds the new responsibilities to those imposed on the Chief Fire Officer by the original Law, and **Clause 4** makes a consequential amendment to the provisions relating to his powers.

In **Clause 6** the duties and powers of officers are broadened by the provisions of clauses 5 and 6 to take into account the new tasks which the Brigade undertakes.

In **Clause 7** it is expected that when the proposed new Fire Code is brought into force it will make specific requirements regarding the matters now dealt with by the use of administrative directives under section 11 of the Law. Accordingly, this section is repealed by clause 7 of the Bill.

Clause 8 augments the regulation-making powers in section 15 of the 1979 Law to enable the promulgation of a Fire Code and to ensure the legality of its detailed provisions.

Clause 9 of the Bill is designed to bring up to date penalties which may be imposed for breaches of the Law.

Madam Speaker, to move specifically to the present Law, in section 2 dealing with definitions, the Bill seeks to repeal the definition of "calamity". Calamity in the law

reads as follows: "...means an occurrence by which life or property is endangered; "fire hazard" means any state of affairs tending to increase the likelihood of a calamity"; these two definitions are being repealed and new definitions are being put forward in the Bill. For "fire hazard" means a hazard arising from fire", and following on the definition of "hazard" means any event, condition, act or thing, which may cause or increase the likelihood of death, injury or illness to human beings, domestic animals, livestock, or wild life of the lost of, or injury to, property of any kind."

Clause 3 of the Bill deals with an amendment to section 5 which deals with the Chief Fire Officer's duties and responsibilities.

In clause 3 of the Bill it seeks to repeal section 5, subsection (e) and repeals the words "the enforcement of this Law". It also repeals the word "and" in subsection (d).

The Bill goes on to add four new responsibilities, the new section (e) would be:

- "(e) the release and rescue of persons and property from vehicles, aircraft and vessels in hazardous situations;**
- (f) the control and mitigation of the effects of the escape or spilling of any hazardous substance;**
- (g) any other responsibility or duty imposed on him by this Law; and**
- (h) the enforcement of this Law."**

So this new subsection (h) is actually being moved from section 5, subsection (e) to subsection (h).

Clause 4 is seeking to amend section 7 of the Law. Section 7 reads:

"7. The Chief Fire Officer, in the course of carrying out his duties, shall have towards the general public, powers equivalent to the Commissioner [in this case we are talking about the Commissioner of Police] **in the carrying out of his duties and shall take precedence over the Commissioner when, and only when,** [these words are being repealed] he is engaged in fighting a fire which has not been brought under control."

The Bill is adding subsection (b) to say: "or in carrying out any of his duties falling within the scope of paragraphs (e) and (f) of section 5.", which I read earlier.

Clause 5 of the Bill deals with an amendment (and some of this is consequential), to section 8 of the Law which deals with the duties of officers, that is, fire officers. It adds the words **"(f) carrying out of the duties imposed on them by this or any other Law;"**.

There is a new section in clause 6. First, the words "fire fighting" are repealed, and "calamity" is repealed, as we did in the definition, substituting the words "immediate danger from any hazard to which this Law relates".

Subsection (4) of section 9 is being deleted and a new subsection is being substituted to read:

“(4) Without prejudice to the provisions of subsection (2), the Chief Fire Officer and any officer authorised in writing by him has, subject to section 14, right of entry to and search of any premises at all reasonable times for the purpose of carrying out any duty imposed upon him by this or any other Law.”.

In subsection (5) of clause 9, the words "fire-fighting duties or averting a calamity" are repealed and new words are substituted to read: "carrying out any responsibility or duty imposed by this or any other Law."

Earlier, Madam Speaker, I made mention that section 11, which deals with directions from the Chief Fire Officer, is being repealed and the replacement for it will be the Fire Code.

In section 15 of the Law, which deals with regulations giving the Governor powers to make regulations, there are some amendments as well. Subsection (i) and (j) are being deleted and new subsections substituted:

“(i) prescribing the form of any notice, order, permit or other document or thing required by the Law to be served, made, issued or done;

(j) securing with respect to building or premises that any standards laid down under this Law are observed;”.

These are clarified powers under the Law which give the Governor the power to make regulations. These items are specifically dealing with the regulations being made by His Excellency the Governor in Council. There are other powers, in (k):

“(k) securing the installation and maintenance in proper working order of systems, machinery and other things for the elimination or reduction of fire hazards, the control or management of fires and hazardous events;”.

There is a new (l):

“(l) empowering an officer at a fire or a place where there is immediate danger from a hazard to which this Law relates to take, or direct, such action as may be necessary to control or extinguish the fire or avert the danger, to perform any rescue and do such other things as are reasonably necessary in the performance of his duty;

(m) authorising an officer exercising any power conferred by a regulation made under paragraph (l), by use of reasonable force if necessary, to prohibit any person, vehicle, vessel or object from approaching any fire or place, to remove or cause to be excluded for any reasonable time any person, vehi-

cle, vessel or thing from any area affected or likely to be affected by the fire or danger concerned;

(n) preventing any obstruction of, or hindrance to, any officer performing any duty imposed upon him by this Law;

(o) promulgating a fire prevention code for the better ensuring of safety of life, health and property from fire and the other hazards referred to in, or prescribed under, this Law;”.

It goes on:

“(p) authorising the delegation by the chief Fire Officer to any person of all or any of his functions or powers, either absolutely or conditionally;

(q) prescribing the circumstances and conditions upon which fires may be permitted in any open space;

(r) restricting the use of combustible materials in the construction of any building;

(s) regulating the storage of any combustible or hazardous substance;

(t) prescribing conditions of recruiting and employing probationary and voluntary officers; and

(u) prescribing anything required to be prescribed by this Law.”.

There is a new section 15, subsection (2): "A regulation made under this section may provide a penalty on conviction of a breach of it or of any other such regulation not exceeding the penalty provided for in section 16."

The penalty at the present time in the Law, in section 16 basically says that "anyone who is guilty of an offence is liable on summary conviction to a fine of \$500.00", that is being increased in the Bill to a penalty of "\$5,000.00" That more or less brings it up to modern day levels of penalties.

Thank you, Madam Speaker.

The Speaker: The question is that a Bill entitled the Fire Brigade (Amendment) Bill, 1996, be given a second reading. The debate will take place after we resume at 2.30 p.m. Proceedings will be suspended until 2.30 p.m.

PROCEEDINGS SUSPENDED AT 12.49 PM

PROCEEDINGS RESUMED AT 2.42 PM

The Speaker: Please be seated.

ANNOUNCEMENT BY THE SPEAKER

The Speaker: Before debate commences on the Fire Brigade (Amendment) Bill, I need to make a few comments concerning the previous habit of Members getting extracts of the transcripts of speeches before they have been edited.

I know in the past Members have been going to the two ladies who do the transcribing. It has proven very burdensome, because it will be observed that in many of the debates, extensive reading of *Hansard* from previous years (quite far back) goes on. It means that everything is duplicated and work doubled.

At this present time there is only one Hansard Reporter in the Office, the other one is on leave until Monday. Therefore, I am asking all Members to refrain from requesting extracts or documents at this time. If Members wish to have something very important, I would prefer that the request be made to me and I will see if the lady can do this, which also includes her other day-to-day work of transcribing.

Before any transcript is given out it must be edited. It is most unfair for unedited transcripts to be in the hands of any person, because there are always, perhaps, errors and if these errors are not corrected beforehand, they are really not the best thing to continue to be had.

I am asking Members for their support in this matter. We are all willing to assist wherever possible, but I think Members will appreciate that there is a limit sometimes to what can be achieved and everyone needs to take the other officers into consideration. So, may I ask for your support in this matter? Thank you.

The question before the House is the Second Reading of the Fire Brigade (Amendment) Bill, 1996.

The motion is open for debate. [Pause]

If there is no debate. I do not know if the Honourable Minister would like to add anything further to his presentation.

Hon. Thomas C. Jefferson: Madam Speaker, I think it is always important to say how much we appreciate the support of the Members of the Legislative Assembly, whether orally or silently. I believe the mark that is made by the Fire Service in these Islands is the reason why there is no debate on the item. They know it is in good hands.

Thank you, Madam Speaker.

The Speaker: The question is that the Bill entitled the Fire Brigade (Amendment) Bill, 1996, be given a second reading.

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

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given a Second Reading.

AGREED: THE FIRE BRIGADE (AMENDMENT) BILL, 1996 GIVEN A SECOND READING.

MOTION WITHOUT NOTICE

The Speaker: Motion without notice, the Honourable Third Official Member.

Hon. George A. McCarthy : Madam Speaker, I beg to move a motion that the Loan (Capital Projects) Bill, 1996 and the Loan (Capital Projects) 1993 (Amendment) Bill, 1996, be taken together. The reason for this is because these Bills are connected.

The Speaker: I shall put the question that the debate on the Loan (Capital Projects) Bill, 1996 and the Loan (Capital Projects) 1993 (Amendment) Bill, 1996, be taken together for second reading and debate.

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

AYES.

The Speaker: The Ayes have it.

AGREED: THAT THE FOLLOWING TWO BILLS BE DEBATED TOGETHER.

SECOND READING

LOAN (CAPITAL PROJECTS) BILL, 1996

-together with-

LOAN (CAPITAL PROJECTS) 1993 (AMENDMENT) BILL, 1996.

Clerk: The Loan (Capital Projects) Bill, 1996, and the Loan (Capital Projects) 1993 (Amendment) Bill, 1996.

The Speaker: The Honourable Third Official Member.

(2.48 PM)

Hon. George A. McCarthy: Madam Speaker, as mentioned during the meeting of Finance Committee held on the 13th of May, two Bills would be brought to the Legislative Assembly, the first one being the Loan (Capital Projects) Bill, 1996. This Bill, which is presented to this House, seeks to authorise the Government to borrow up to \$10,685,268 for the financing of capital projects as detailed in the Schedule of the Bill and is broken down as follows:

HEAD	AMOUNT IN CI\$
52-104 LL Civic Centres & Museums	\$200,000
<i>This amount is to cover the additional costs of providing a hurricane shelter and community hall at Gun Bay.</i>	
52-106 LL Construction of Roads	\$4,050,000

This amount is to be applied in the carrying out of road improvements within various districts in the Cayman Islands as follows:-

George Town	\$2,650,000
West Bay	\$400,000
Bodden Town	\$250,000
North Side	\$250,000
East End	\$250,000
Cayman Brac	\$250,000

52-113 LL Harbours and Docks \$37,000

This amount is to cover the improvements to the West End channel access in Cayman Brac.

52-119 LL Public Buildings \$709,774
Of which \$650,000 is to cover the cost of completing the Department of Environment's building and the remaining \$59,774 is to cover the cost of refurbishment of the Court House.

52-120 LL Purchase of Lands \$2,221,518
This amount is to enable the purchase of various parcels of lands and properties (details of which were provided to Members during the meeting of Finance Committee.

52-122 LL School Buildings \$1,420,000
This amount is to allow for the construction of additional classrooms at the George Hicks High School, together with the construction of a sewage treatment plant. The sewage treatment plant is estimated at a cost of \$320,000.

52-123 LL Sports Centres and Parks \$846,976
This amount is to cover the cost of developing community parks within the various districts, a cricket pitch, and softball and baseball facilities.

52-127 LL Post Office Buildings \$1,200,000
This amount is to be applied in the development of the Mail Processing Centre at the Airport.

Turning now to the Bill to amend the Loan (Capital Projects) Law, 1993. This Bill provides authority to borrow up to \$8,130,171 to finance capital development projects set out in the 1994 Budget and broken down as follows:

• Construction of Roads	\$3,156,070
• Agricultural Development	\$427,067
• Medical Facilities	\$1,000,000
• Purchase of lands	\$200,000
• Sports Centres and Parks	\$712,034
• Community College Buildings	\$2,635,000
• School Buildings	\$1,435,306

At the meeting of Finance Committee held on the 13th of May of this year, it was stated that while the total amount authorised would remain unchanged, the Gov-

ernment would bring an amending Bill to the 1993 Law to reallocate unused funds to other Capital Development Projects initially not specified under this Law.

These unused funds totalling \$2,046,566 are the balance from the sum of \$2,635,000 which was initially borrowed to fund the Phase II expansion of the Community College. However, only \$588,434 of the 1993 loan was used towards this project as the balance of that project's cost was financed from the annual grant provided to the College by the Government.

This Bill, therefore, proposes the reallocation of \$1,435,306 to the construction of four classrooms at the George Town Primary School and four classrooms at the Savannah Primary School.

It is further proposed that the balance of \$611,260 be allocated to finance the development of sports centres and parks, mainly the Botanic Park and the St. James Pedro Castle project.

During the meeting of Finance Committee, I mentioned that the Public Debt of the Government as at the 1st January, 1996 (this figure is unaudited) was \$33,293,268. The draw-down (from the 1993 amendment of \$2 million added to the loans approved as a part of the Budget exercise in November) of \$16,160,000; taking into account repayments that are programmed in 1996 of approximately \$6.8 million gives an estimated Public Debt position as at the 31st of December of approximately \$45 million.

Taking into account the additional borrowings of \$10.6 million as proposed under the Loan (Capital Projects) Bill, 1996, when this is added together we arrive at a total debt of approximately \$57 million. It was pointed out during Finance Committee that the sums in the 1996 Budget to meet the loan obligations amount to approximately \$11.6 million. When that is taken as a percentage of Recurrent Revenue, this translates into approximately 6.3% of the annual revenue that is being used up.

If we factor in the additional provision that will have to be made to account for the repayment of the \$10.6 million, plus the draw-down against the 1993 loan, we can see that the figure that has been arrived at by the Treasury Department suggests that it could increase to approximately \$13.4 million. This, when taken as a percentage against the 1996 Revenue figures, suggests that approximately 7.2% of the annual revenue will be used up.

We should bear in mind that we have been experiencing growth in the revenue trends over the year. So when we take the \$13.4 million, while that will remain fixed, if we take it as a constant, or the numerator, and we look at the 1996 Revenue figures of \$184.5 million, it is likely that in 1997 and onward we will see progressive increases in this figure.

I am not suggesting that further loans will not take place, but we will have to look at this denominator to see the extent to which growth is taking place. If we extrapolate this into future years, we can see that if borrowings continue at a prudent level it could be awhile before this figure of 7.2% would be substantially exceeded.

It has always been argued that the Government's repayments obligation should not exceed 10% of General Revenue. Every attempt will be made to ensure that this will not occur. We have got to watch our figures, as I have said earlier, very carefully. So the combined position that we have in front of us this afternoon seeks for approval to vary the 1993 borrowings, to use up the balance of approximately \$2 million that remain uncommitted until this time, plus the sum (as was agreed during the course of Finance Committee), which has since been increased slightly by \$1 million, to a total of \$10,685,268.

I submit these Bills to this Honourable House.

The Speaker: The question is that Bills entitled, The Loan (Capital Projects) Bill 1996, and The Loan (Capital Projects) 1993, (Amendment) Bill, 1996, be given a Second Reading. The motion is open for debate.

The Second Elected Member for Cayman Brac and Little Cayman.
(3.02 PM)

Mr. Gilbert A. McLean : Madam Speaker, I simply will not join the fray and sleep while such a frightening sum of money is being sought in this Legislative Assembly by way of loans about four months after the annual Budget of \$202 million was approved, of which \$16.6 million was also loan funds.

These two Bills display financial imprudence, recklessness, and dishonesty. To come for this amount of money by way of loans, particularly in the 1996 Bill... the Government had to have known this amount of money was needed in the first instance when they brought the Budget in December of 1995.

I suggest that this amount of money for these various projects was not brought to this Legislative Assembly, because if that had happened the public would have been even more concerned about the way money is being handled in the Cayman Islands by the Government of the day.

The Budget of 1996 (that is, the Estimates of Revenue and Expenditure) was only balanced because of the loan which was taken. If this additional amount had been added to it, it would have been the largest single amount that has ever been taken as a loan. The fact is that in December the Government did not honestly put in all the money that was necessary do the projects it wished to do, therefore, the budget was not factual. If we look at the Bills which are before the House at this time, they are still not true in terms of the money needed. For example, the cost of the purchase of the Cayman Food s building, which the Minister for Education and Planning is now apparently saying is not agreed to be purchased, is \$1.4 million. But included in this total sum is something like \$350,000. So there is about \$1,050,000 that is not truly accounted for in expenditure. It is certainly a liability to the country, but by design it is done that way in an attempt - although it is right before our eyes - to be hidden or lost sight of.

There is also a Post Office building which the ill-fated former Post Mistress, Miss Glasgow, said was necessary. In fact we know the story surrounding that episode; that her statements, among other things, made her politically unacceptable. Yet, 90 or 120 days later, Government comes to Finance Committee to get money to erect the same building which supposedly could not be done prior. Again, great dishonesty in this type of financial management because this building supposedly is to cost \$2 million (something like \$2.3 million), and how much is down in the Bill? Only \$1.2 million. Strange financial management. Strange accounting with the people's money, but clear indication that the Government does not have a plan, does not have its priorities right, and moment to moment, things change on a political whim or fancy.

The Financial Secretary has said (and really I do not lay this bad financial management at his footstool, he is but the person charged by Law to take care of the finances and the expenditure of the country based on the political policy of the day) that this amount of money which will soon be voted for by a majority here in this House will put Government's debts at approximately \$57 million. Now against that I weigh the fact that according to the last Census taken here in the Cayman Islands (and this is just last year sometime) there are 31,500 people in this country and approximately half of them are non-Caymanians. So, if, for whatever reason, a downturn should occur here (Heaven forbid!), we could be shocked into the reality of our situation. But perhaps the Government of the day would try to persuade us all that the Government's revenue would be the very same if we took out half of the population which pays into the Treasury the amounts which make it possible to have a \$202 million budget for this year, plus about another \$16 million in loans.

The thing about loans where governments are concerned, is that in the majority of instances a government can get loans because they are 'government'. It is an agreement that is entered into by which all the people of the country are bound - even if they must be taxed - to fund the money to be repaid. Certainly, loans have to be repaid, and these loans will have to be repaid.

It is all well and fine for us to look at the situation right now and say that taking a percentage of the annual Budget we are only committed in terms of loans to about 7.2%, and that we are still below that magic figure of 10% over which most people claim we should not go.

I think that this great rush and this immense spate of spending is generated basically through two things: bad management and, in another five months or so, a general election. So all the things that might have been done over the past three and a half years - but were not - are being done now, due to the political views of the day.

Construction of roads was a mere paltry sum of about \$1 million in this year's Estimates of Revenue and Expenditure. Several of us said that it was unrealistic, that it was incomprehensible; it was ridiculous because roads had reached a point of deterioration where some-

thing would have to be done, and that a realistic amount of money should have been placed in the Budget for them.

But, oh no! It was not done that way. Four months later the Government comes for \$4 million for roads by way of loans. I would imagine that they feel reassured and they can say that the Budget was balanced in December. The truth is, it was not. It was very unbalanced, like the general state of affairs in the country where money is concerned.

School buildings are included in this Bill. I distinctly remember earlier this year (the first Session if I remember correctly) a question to the Minister for Education, asked by my colleague the First Elected Member for Bodden Town, about school buildings and their adequacies and so on. There was a long list of things that had been done, including fixing of screens, and this and that; an answer which would evoke more laughter than fact. We also heard at that time about a mathematically-exact way the Education Department was using to calculate birth rate, and how the Government would know how many classrooms would be necessary. If anyone had believed that, they would have been mistaken.

I remember (and I am sure the *Hansard* can prove it) that I specifically asked if what was being said by the Minister meant that the required space and accommodation the schools needed at this time was there. If I remember correctly, the answer was "Yes, Madam Speaker, that is what I am saying.". Yet, four months later it is necessary to come for \$1,420,000 to build classrooms for schools which undoubtedly need them. They needed them from way back when we were reassured that everything was hunky dory. That is consistent with the way Government has set its agenda and priorities, which is putting this country more and more into debt.

I have said this on many occasions. The other Opposition Members of the House have said this, and usually it evokes laughter from the Government bench. But those are the realities in this country.

There are other situations which impact on our finances, not just these moneys that we are debating now by way of loans. There are contingent liabilities; there are millions of dollars worth of lands that have been bought with a relatively small down payment, but it is down in black and white that the \$1.5 million or the \$2 million has to be paid. But that does not show up in the ledger as it should, and that it is more debt to the country. That is simply hidden away through such device.

In some of these instances, for example the Post Office - I read about two days ago in the newspaper that a contract had been signed. Now, I am of the opinion (and I would have to see otherwise in black and white) that if McAlpine... (is it McAlpine or Hadsphaltic? one of those companies, I think it is Hadsphaltic) has taken the contract, if it cost \$2.3 million, then \$2.3 million is written in that contract and not \$1.2 million. If the money is not there, where, then, is the money to pay for this contract? It is the most reckless and unbelievable form of financial manipulation going on in this country right now.

A hospital that we hear is to cost \$27 million... and we hear a contract has been signed for that for \$20 million or so dollars. I ask: Where is the money for that? There was only \$9 million borrowed. Again, I bet that no one signed any contract with those contractors for less than the full amount that was given...

Hon. W. McKeeva Bush: On a point of order.

The Speaker: May I hear the point of order, Honourable Minister?

POINT OF ORDER (Relevance)

Hon. W. McKeeva Bush: I believe we are debating \$10 million for the Loan (Capital Projects) Bill. I do not see anything in that Bill regarding hospitals.

The Speaker: I think the Second Elected Member was using that as a point of illustration for, as he calls it, mismanagement. As long as he does not go on at great length, that is not a valid point of order.

Can you continue the debate, Second Elected Member for Cayman Brac and Little Cayman?

Mr. Gilbert A. McLean: Madam Speaker, in this Bill before the House - we are talking two, not one, two money Bills at one time - we are talking about financial management, good fiscal responsibility. We should not reach a point where we commit these islands to such debt. It is unrealistic, particularly when we are spending something like \$1 million on such things as a cricket pitch, when we do not have enough space in the waiting room at the Hospital for people who are seriously ill.

Last year the First Elected Member for Bodden Town brought a motion to this House asking for a change in the way we do our accounting, more towards the accrual system. This would show all the liabilities up front and it would not be possible to push half of a \$20 million contract aside or half of a \$2.3 million contract for the Post Office aside and pretend it is not there, while on the other hand we have a serious liability for it. That was shot down like so many other motions that he and I have brought to the House. It sure does not make the problem go away.

It was interesting just a little over two weeks ago when the same Member (the First Elected Member for Bodden Town) and I visited the United Kingdom to speak to some of the officials at the Foreign and Commonwealth Office. We noted that one of their great concerns is the financial well-being of the dependent territories. As it was stated to us, should a territory fall flat on its face it ultimately becomes the responsibility of the United Kingdom Government. At least somewhere, with the people who have the ultimate responsibility for these islands, there is some sameness of thought that good financial management is necessary. That is not reflected in these Bills before us, for some of the reasons for which the moneys are included and certainly not where part of the money that is committed is being left out.

Madam Speaker, we need some heavy doses of good prioritising of things to be done in this country. We need to know clearly, that, yes, it is necessary to have eight classrooms and that they do not wait three and a half years to be built on the eve of an election. We need to know, yes, three and a half years ago, that \$200-odd thousand dollars were needed to rectify the situation at the Court House which is now supposedly going to be done. We need accurate, factual, truthful, proper money management. When it was known that to make an attempt to put a hospital on the same site where it is presently the MRCU building would have to be removed and taken into the North Sound where it will cost almost \$3 million.... The \$800,000 here, and the \$500,000 in the next place, and the \$900,000 in another, does not make the cost go away.

As for the matter of the swamp, it seems that we should not build a hospital there, but we can build the school in the swamp. I do not know which is the most important - the place you deliver health services from, or (if the swamps are as fearful as they are) whether the upcoming generation will be drowned. That is a riddle that I am sure the Government has figured out as well.

Of course, in speaking of money, we have approximately four acres of land that was bought by Government in Spotts for a National Stadium which the Auditor General says is constantly under water, even in dry weather like this. (*Inaudible interjection*)

That is the one that is where it always is 365 days a year. It is a pond, and the rest we dance a jig around.

These Bills seriously lack the proper thinking and proper management which this country needs, particularly in the purchase of lands section of one of the Bills where the total is \$10.6 million. I wonder whether these are true costs. According to the Government's valuator they are not: Yet, we are paying a difference of \$.5 million over and above what that individual recommended. There is something in that which is very important to me. If you truthfully purchase a parcel of land for \$10,000, wherever, that valuator is the person you believe when he states that the true value is \$18,000. That is the person who can say it is \$18,000, and the person (who knew they only paid \$10,000) has to pay stamp duty on the \$18,000. Now where does it put the office of that individual as an adjudicator in such matters if the Government itself is taking that attitude towards it? How does it place citizens of the country in regard to that type of action? Up until now, all the Members of this House have not seen the valuations that were given in the purchase of lands.

These are the things that we all should be concerned about. There is only one thing that is absolutely clear and certain about these two Bills, and that is that these Bills will be voted into existence and the country will be further in debt.

Thank you.

The Speaker: The Honourable Minister for Education and Planning.

(3.27 PM)

Hon. Truman M. Bodden: Thank you, Madam Speaker.

These two Bills deal with the authority that this Legislature is asked to give in relation to the projects that are set out in them. The Bill that relates to the 1993 project is, as the Financial Secretary has mentioned, a variation of the previous Loan (Capital Projects) Bill where there was money that remained in relation to the Community College. That, in itself, goes to show the House that there are times when Loan Bills do go forward and the full amount of money is not spent.

The main Loan Bill sets out clearly what is being borrowed and what it will be used for. What seems to have put the three Opposition Members in a dilemma is the fact that on the one hand they are saying (as has the Democratic Alliance) that there should be more construction of roads and, on the other hand that we are not voting the money for roads. I do not know who they think they are really fooling in taking this approach. They criticise that there should be more school buildings, but then they want to vote against the money that will provide those buildings. That is simply an irresponsible Opposition. They cannot reconcile between themselves what they want to do, they want to criticise regardless of whether one is doing what they feel should be done or not.

Loan Bills and the Finance Committee deal with what can be spent within the year. The Second Elected Member for Cayman Brac and Little Cayman referred to the school buildings... he opposes a lot of what I and this Government (the National Team Government) have done for schools. One of the tactics, I am speaking generally, of socialist governments is not to educate the people; keep them in the dark and at the end of the day you can become chief minister and rule the country. I stand clearly in the way of the Second Elected Member for Cayman Brac and Little Cayman, or Mr. Linford Pier-son, or anyone else becoming chief minister. That is the reason why so much wrath has been put on me.

Mr. Gilbert A. McLean: On a point of order, Madam Speaker.

The Speaker: May I hear the Point of order, Second Elected Member for Cayman Brac and Little Cayman?

POINT OF ORDER

(*Relevance*)

Mr. Gilbert A. McLean : As is normal for the Minister for Education, he is rambling off into Socialism and Chief Ministers while debating this Bill. Madam Speaker, I raise the point on relevance. Secondly, he is using my identification in this House in connection with his insane ramblings about Socialism. There is no connection between the two!

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman has a point of order, because I was going to ask the Minister to refrain from speaking about Socialism. There has been no attempt in this country, as far as I know, to import socialism. I think that we need to get away from that aspect and continue to deal with the finances as set out in the two Bills under discussion. Thank you.

Would you please proceed, Honourable Minister?

Hon. Truman M. Bodden: Thank you, Madam Speaker. At least we know who the cap fits.

Looking at the Bill itself...

Mr. Gilbert A. McLean: Madam Speaker, on a point of order.

The Speaker: Second Elected Member for Cayman Brac and Little Cayman, I know the point of order. Can we just pass this over for the time being?

POINT OF ORDER

Mr. Gilbert A. McLean: Madam Speaker, I constantly bow to your ruling. But, please, speak to the Minister for Education. It could change me from my good-natured self to where he might not like what would happen in here. I am capable of that.

The Speaker: Shall we just pass this over? I would like to say that this reminds me of when I was in school and someone misbehaved. I said to the teacher, would you speak to so and so, and she said, "I have spoken to you." So, can I say that I have spoken? Let us end it right there. Thank you.

Hon. Truman M. Bodden: Madam Speaker, the Bill itself...

Hon. W. McKeever Bush: Madam Speaker, is the Member threatening people? This is serious now, Madam Speaker.

The Speaker: I have not heard that.

Hon. W. McKeever Bush: Well, he is threatening us across the way with the Mace and about it being a missile of 60 pounds. We know what he is capable of, and I would ask him to refrain from it.

The Speaker: In fact that is quite out of order and I would ask that we continue with the discussion before the House, which is the two Loan (Capital Projects) Bills. Shall we refrain, in future, from any other comments?

Please proceed Honourable Minister.

Hon. Truman M. Bodden: Thank you, Madam Speaker.

The financial position in this country is the best that it has ever been. I laid on the Table of this Honourable House at the last sitting, the Accountant General's

Memorandum which dealt with the position of Government and what it had repaid on loans. This points very clearly to the fact that in three short years, down to 1995, we had put from Recurrent Revenue into Capital Expenditure \$41,948,132. That is pure profit. If the Second Elected Member for Cayman Brac and Little Cayman can understand figures of this size, he will know that the Ministers along with the National Team had three good years. That has come about, unfortunately, without the help of the Opposition who are always crying down the Government in their little ways and taking backward approaches to the accounting.

In 1993 the profit that went into Capital Expenditure from Recurrent Revenue was \$11,176,986; in 1994, the profit from Recurrent Revenue to Capital Expenditure was \$13,944,551; and in 1995, we had a profit of \$16,826,595 that went into Capital Expenditure. That is pure profit, a total of \$41,948,132. I will be happy to give a copy of this to either one of the three Opposition Members who might have forgotten, because this is fact, it is signed by the Accountant General.

It is incorrect and nearly hallucinatory for the Opposition to say this country is not in a good financial position. If one looks, they will see that the profit each year has moved basically up: from \$11.1 million in 1993, to \$13.9 in 1994, to \$16.8 million in 1995. These are facts, nobody can dispute them; these have come from the Government's accounts. On top of that, for the three years we have repaid \$19,142,058 on the past Government's debts, because the only thing (and that is not the last Government, that includes all past Governments) that is far in excess of the amounts that have been borrowed. Up to this point, the point of these Loan (Capital Project) Bills, for this year the Government had only borrowed about \$8 million. So, in effect, up to this stage the Government and the National Team have a profit of \$61 million with only a borrowing of \$8 million.

So this amount of \$10 million that is brought up today is peanuts. Remember, these figures do not include the contributions for this year which we understand are probably going to be in the area of between \$14 million to \$18 million going to Capital Expenditure. Yes, there are large amounts of capital projects that are being done now, but we must remember that some of these projects, if they are to be done, cannot be financed from Recurrent Revenue. It is like trying to build a house out of your monthly salary. We have done that for three years, but the time has come when we have to borrow long-term. It is not a large amount of money when we look at what we have repaid and more than that, the amount that has been contributed to Capital Expenditure from Recurrent Revenue. So basically we have paid, including this year, about \$80 million mainly towards Capital with about 1/3 of it going towards the repayment of past loans. That is undoubtedly good fiscal policy.

We are nowhere near reaching the 10% mark of principal and interest in loans. We are a long distance away from that, Madam Speaker. The only way that these large projects can be done is with medium and long-term loans. But these are projects that the public

will benefit from, and that is why the three Opposition Members continue to oppose them because they do not want to see the Government succeed. Worse than that, they do not want to see the public get the benefit of these projects. I do not know how they expect to get votes in trying to stop a school or a hospital from being built, or trying to stop roads from being repaired or built. What they (the Opposition Members) should do is jump on the band wagon and say, "Yes, we need roads, we need school buildings, and we need parks", and try to take a bit of credit for it. That is what causes you to lose elections eight times and never learn. These are the mistakes that the public does not forgive you for. Therefore, the approach of this Government has been a positive one towards the betterment of the public's interest, their way of life. We have to remember that unlike the \$20 million in taxes that was put on just before the last two years before the Election, we have not put on anything of any consequence in the last two years that has affected the local people. We have put this \$80 million of profit into the Capital Expenditure without getting into excessive increases in taxes and that sort of thing.

It is good government and the public knows this. That is what frustrates the Opposition and their little followers, and why their policies are never forward but sometimes backward. It has to be a backward approach to oppose something such as school buildings. These are for our children, these are our future.

The placards, the one or two that were dealing with finances today outside of the House were really a pitiful attempt by some of the supporters of our Opposition (I am speaking generally now) to try to cause a bit of concern. But the public knows the facts. We are responsible people and we are only going to do what is in the public's interest.

Madam Speaker, perhaps the surprise that the Fourth Elected Member for George Town and his Democratic Alliance members, Mr. Pierson and Mr. Briggs have just found out is that they do not even know the procedures of this House, and if they know it, then they are misrepresenting the facts as they have attempted to put out today. They have attempted to say that we have purchased the Cayman Food s building. Surely, Mr. Pierson is an accountant, he must have enough sense to know that if a Loan Bill is before the House that the authority to raise the funds to pay for these projects comes from it. So should the Fourth Elected Member from George Town. In fact, I have explained this to him, so I am at a loss as to why that Honourable Member has gotten into something here that totally misrepresents the position.

My position has been clearly set out in a letter to the press and one would have thought that before putting in such a serious, libellous, in fact misrepresentation, stating that I have purchased the Cayman Foods building.... They should have had enough sense to try to understand the democratic process in this House. The *Caymanian Compass* had been out four or five days before stating what the Loan Bill was for. But this is all politics in an Election year, and it is totally incorrect to state

that I, or the Government has purchased the Cayman Food s building or the Baptist building or any other matter that sits in this Bill. It is totally untrue. Those who have stated that should be ashamed of themselves for the misrepresentation to the public.

What we have before us is a Bill that, if passed in this House, will authorise the Government, through the Financial Secretary, to raise loans for these different projects. It does not mean... and surely, the Fourth Elected Member for George Town and Mr. Briggs and Mr. Pierson must know that we do not buy things before we have the money. So, if this Bill is passed the loan is then sought. Once the funds are received, then negotiations are entered into through the Lands and Survey Department for the purchase of the lands. The Department looks at all the evaluations and comes to a conclusion. It is not a matter of me doing what, for example, Mr. Linford Pierson did, who personally negotiated the purchase of the Campbell Building, and recommended \$1 million for the SafeHaven project, and bought the land for the Port Authority without going to the Lands and Survey Office: That is not the position here. The position is that the maximum that can be paid on any of these projects listed here is the amount that is in the Loan Bill, but that is only an authority.

If the process within Government finds that the land is worth less or more when they look at the private valuations and their valuations, Government will settle on a price and if they cannot at the end of that reach an agreement with the vendors, so be it. It falls through. So it is not correct to say that the Government has bought the land, or that I have bought the land, or that there is a contact for sale on this property. In fact, this morning one of the Opposition Members asked the question to the Honourable Third Official Member and he tried to explain. They do not want to hear the truth, and I repeat that it is a lie for anybody to state that this property, or any other property listed in this Loan Bill, has been purchased. It cannot legally be purchased. Anyone who says that, and then goes to the public and says that they can run a country like the Cayman Islands, in my view, is misrepresenting his own ability. If they do not understand a simple procedure of authorising a loan for projects being different from purchasing or erecting buildings, then I cannot help them and the public should not help them either by putting them in this Legislative Assembly. They will just be a millstone around the public's neck.

That is why I will go on to deal with where we are now financially, and really look at what a grim picture our finances presented when we took over the Government. The Memorandum from the Accountant-General (these are facts that I brought to this House during the last sitting) showed that in 1992 there was a deficit on Recurrent Revenue of \$3.6 million; in 1991 there was a surplus which was a contribution to Capital Expenditure of \$1.8 million; and in 1990 a deficit of \$1.2 million. So that all the Capital Expenditure for 1992 of \$18.1 million; 1991 of \$17.2 million and 1990 of \$13.7 million were financed by drawing on the Reserves and Surplus left

when Sir Vassel Johnson and Capt. Charles Kirkconnell ran the country in a business-like and very able way. They left some \$38 million in there which the last Government, including Mr. Ezzard Miller and Mr. Linford Pierson, destroyed and wasted within one year. They showed a loss of \$48 million in three years. That is frightening - \$48 million more was spent than they raised in Recurrent Revenue compared to our surplus for the three years of \$41, 948,132. So the difference in the position when we add the present surplus to the deficit will show that we are actually about \$90 million better off than the last government during their time.

Those are the people outside of this House, Madam Speaker, who are now coming to the public talking about how they want to run the country. They had their chance and they ruined it. They should remain where they were put after the last Elections - as the late Mr. Haig would say - in mothballs. If the three Opposition Members of this Honourable House do not watch themselves, they might well be in the same category as the two members of the last Government.

Even worse than that, I heard the Second Elected Member for Cayman Brac and Little Cayman talking about how any government can borrow money. This Government can borrow money, but let us not forget that the Cayman Airways' loan of \$20 million (US) could not be borrowed by the last Government, because they had no credit. That is a fact. The National Team Government had to borrow that \$20 million to cover two and a half years of loss that was nearly US \$35 million. On top of that \$40 million in loss, they had another \$35 million in two and a half years. They bankrupted the country. That Government could not borrow money. That was a hard fact, Madam Speaker.

When this Government came into office, we went to raise that loan and were told, "Let us see your budget before the bank will make a decision whether you can borrow \$20 million to pay for the last Government's debt." It was not until May or June of the following year, if we remember the Resolution was passed in June of 1992, almost one year later after we had established ourselves as a Government that the credibility of this country was returned. The public should never forget that, because if they do, they are going to continue to pay for it, the debts of the last Government will be paid for over the next 15 years. One generation of Caymanians will come under the debt that was left by the last Government and will spend the earlier part of their lifetime repaying.

That should tell any young person out there, especially those young ones who have been given a good education, that people who oppose schools - private schools, government schools, the school system - should not have the benefit of receiving their votes. People who oppose (I am talking generally about candidates when I say this, Madam Speaker) the sporting facilities that the Honourable Minister is struggling to get for the young people, should not get the vote of the people. I believe that they are smart enough, and are well educated enough to know the difference.

The Second Elected Member for Cayman Brac and Little Cayman when talking about responsible Government, should just look at the national airline, or perhaps talk to some of the people with the airline who have had three pay increases in the past few years, to see where it has come over the years. The figures and facts are here and there is nothing that can be said to warp the position.

What is frightening is what the two Opposition Members tried to put out in a newspaper report. The Honourable Financial Secretary had to deal with this because an attempt had been made to show that the Government's debt had increased last year by wrongly adding an area of debt that related to statutory authorities on the one hand, but leaving it off on the other side. That clearly showed that while they attempted to add some \$15 or \$20 million (I do not have it before me at present) to the debt, it had in fact been reduced. But this is the way that those Honourable Opposition Members have tried to warp the figures.

If the public is going to follow anything, they should go by the facts that are put out by the Auditor-General. They are available. I gave them to the press the last time and they are available for everyone to see. So the public has nothing to worry about with this loan. It is small, we have repaid far more on loans than we are now borrowing. In my view this is prudent spending on projects that are very necessary for the country. We have to have the infrastructure to assist the public.

I would also like to remind the members of the Democratic Alliance that if they are going to present what appears to be facts, they should get their facts straight. I have not bought any building or any land including the Cayman Food s building. I have neither bought, nor has the Government bought, any of the other lands that are listed in the Loan Bills. When the proper authority is passed, the Bill has to be assented to by the Governor. So we are looking at some distance down the line and after that a loan has to be negotiated, then the proper process (which obviously Mr. Linford Pierson never followed, so he would not know what it is) will then be followed. It will not be in my hands. The process of dealing with the raising of money and the entering into of whatever agreements can then be negotiated regarding the property.

I would like to point out clearly to the public that there are some projects that are crucial to the school system. One of them is the Lighthouse School. To be frank, anyone who opposes the Lighthouse School... in fact the Opposition Members have been invited there time and time again and, rarely, if at all, have they gone there... if anyone goes and see the position of the Lighthouse School, no one will stand in the way of any projects that are geared towards helping and assisting those children.

We had a study done in the United Kingdom where schools similar to ours are operated (in the United States more mainstreaming is done than in the British system). The Permanent Secretary of my Portfolio and the Chief Education Officer visited the United Kingdom

and subsequently we had an expert who came to the Islands and did a report in relation to the school for the handicapped. His recommendation has been that it should be put next to a school in which these children, when they are ready for mainstreaming, can be mainstreamed sometimes even for short periods, 15 minutes, an hour per day, or for every few days whatever. It has to be a school building that is capable of taking wheelchairs, as we know some of them have certain physical disabilities. That project which we hoped we would have finally found sufficient land for (we need to find three to four acres of land) a purpose-built school is intended to be built so that it will have custom-built classrooms. We had hoped that this land and building would be available for that. But if it is stopped, then it is clearly on the shoulders of the three Opposition Members in the House and Mr. Linford Pierson whose agitating letters (which I know are his, but someone else signs them) are trying to stop this project.

Three pods will be built in which custom-built classrooms... and we are getting an architect from the United Kingdom who specialises in this area, but a site has to be found before the schools can be built. For the last 15 to 18 months we have been looking with the assistance of the Public Works Department to find property to build this school. We are now at a stage where the report is in and in a position where we can, providing that we have land secured, get the plans ready for it. It would really be sad if anyone got in the way of the Lighthouse School project and cause a year's delay or more.

The other problem that faces me on the school side is that we have a large influx of Primary 1 students coming into the system which neither the Government schools nor the private schools' facilities for this school year can take. Those children have to be placed somewhere; a combination of building onto Government's schools and attempting to induce private schools to take these children in are the most economical and sensible ways to approach the subject. But time does not wait when we are dealing with schools, whatever is going to be done must be in place for the school year beginning in September.

So clearly on the shoulders of the three Opposition Members and Mr. Linford Pierson is the slowing down that is caused there, because if things are stopped then, when parents come to me I intend to send them to the three Opposition Members and Mr. Pierson to explain to them where their children are going to be put. I hate to have to put it in that form, but that is the situation where if, the schools buildings that are planned...

POINT OF ORDER
(Relevance)

Mr. Gilbert A. McLean: Madam Speaker, on a point of order.

The Speaker: May I hear the point of order Second Elected Member for Cayman Brac and Little Cayman?

Mr. Gilbert A. McLean: Madam Speaker, relevance. We are talking about \$10 million and \$8 million, and I know some of it is going towards school. I do not understand where my shoulders, etcetera, come to these sums of money.

The Speaker: Honourable Minister, I am not sure what he means by that, because I am sure, like everyone else, that the majority will vote for the Bill unless something has gone wrong with the membership here. How can three Opposition Members stop the projects? That is the point.

Hon. W. McKeeva Bush: *(Inaudible interjection.)*

The Speaker: Pardon?

Hon. W. McKeeva Bush: *(Inaudible interjection.)*

The Speaker: Well that has nothing to do with the number in Opposition now.

Honourable Minister, please continue with your statements.

Hon. Truman M. Bodden : Madam Speaker, it is a fact that the Second Elected Member for Cayman Brac and Little Cayman and the First Elected Member for Bodden Town oppose private schools, and they oppose...

Mr. Roy Bodden: Madam Speaker, on a point of order.

The Speaker: May I hear the point of order?

POINT OF ORDER
(False motives)

Mr. Roy Bodden : Yes, Madam Speaker. The Minister is imputing false motives to the position we took. We made no such statement that we oppose private schools. I crave the Chair's indulgence in stopping this miscreant.

The Speaker: Honourable Minister, there is a valid point of order. So far, I have not heard any of the two Members (so far only one has spoken, the Second Elected Member for Cayman Brac and Little Cayman) and I have not heard him say that he opposed buildings for schools.

Would you continue, and close off your debate if you are nearly finished. Just avoid that point about opposing the schools.

Hon. Truman M. Bodden: Madam Speaker, if the Honourable Member had not jumped to his feet so quickly, he would have heard the balance of my sentence. With respect, he intervened before I finished my statement. My statement is that they opposed private schools by opposing the funding of private schools which they have done in this Honourable House. There is no doubt about it. They have made statements in the

newspaper, as well as writing letters. The First Elected Member for Bodden Town has written a letter...

Mr. Roy Bodden: Madam Speaker, on a point of order.

The Speaker: May I hear the point of order, First Elected Member for Bodden Town?

POINT OF ORDER
(*False motives*)

Mr. Roy Bodden: Yes, Madam Speaker, the Honourable Minister continues to impute false motives. I challenge him to bring the proof where I declared that I opposed funding public schools. Let him table the proof, Madam Speaker.

The Speaker: Honourable Minister.

Hon. Truman M. Bodden: Madam Speaker, it is clearly recorded that when I have put up grants for private schools the First Elected Member for Bodden Town and the Second Elected Member for Cayman Brac opposed. They voted against it. This is what is upsetting them at this stage, because this is a fact. The First Elected Member for Bodden Town recently wrote a letter criticising the giving of money to private schools. Worse than that, he was trying to bring elitism, and, up to a point, an imputation of the racial structure of those schools into effect.

So it is clear that when I come here for grants for private schools, the church schools, that they have been opposed. That is a fact. Every time Finance Committee meets to vote money for it there is opposition to it. If there is no opposition to private schools, then let us see, after all the talk and letters, who is going to vote for the funds. If so, then someone is speaking out of one side of his mouth.

MOMENT OF INTERRUPTION - 4.30 PM

The Speaker: Honourable Minister, it is now 4.30 p.m. I do not expect that you will be finished this evening.

Hon. Truman M. Bodden: No, Madam Speaker. I have had so many interruptions that I.... I will be quick on Friday.

The Speaker: Will you move the motion for the adjournment?

ADJOURNMENT

Hon. Truman M. Bodden: Madam Speaker, I move the adjournment of this Honourable House until 10 o'clock tomorrow morning.

The Speaker: The question is that the House do now adjourn until tomorrow morning at 10 o'clock.

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

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until tomorrow morning at 10 o'clock.

AT 4.30 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM THURSDAY, 20TH JUNE, 1996

**EDITED
THURSDAY
20TH JUNE, 1996
10.10 AM**

The Speaker: I will ask the Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture to say prayers.

PRAYERS

Hon. 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 II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated.

Order. Proceedings are resumed in the Legislative Assembly.

Questions to Honourable Members/Ministers. Question No. 59, standing in the name of the First Elected Member for Bodden Town.

**QUESTIONS TO HONOURABLE
MEMBERS/MINISTERS**

**QUESTION NO. 59
(Deferred)**

No. 59: Mr. Roy Bodden asked the Honourable First Official Member responsible for Internal and External Affairs to state the total number of applications pending

on file for permanent residence (with the right to work) and Caymanian Status as at 31st May, 1996.

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. James M. Ryan: In accordance with Standing Order 23(5), I seek the permission of the House to defer this question until a later sitting.

The Speaker: The question is that the answer to Question No. 59 be deferred until a later sitting during this Meeting.

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

AYES.

The Speaker: The Ayes have it. The question is accordingly deferred until a later sitting.

AGREED. QUESTION NO. 59 DEFERRED.

The Speaker: Question No. 60, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 60

No. 60: Mr. Roy Bodden asked the Honourable First Official Member responsible for Internal and External Affairs to state the number of prisoners serving time at Northward Prison (excluding those sentenced to life imprisonment) and to provide details of sentencing such as gender, age and length of sentence.

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. James M. Ryan: First the number of male inmates: Governor's pleasure 1; Others 115; Total 116.

The breakdown is as follows: Prisoners between the ages of 18 to 25 - 34. The average length of sentence is four years five months. Again, this is dealing with male prisoners.

Between the ages of 26 to 40 - 63. The average length of sentence is two years nine months.

Male prisoners over the age of 40 years - 18. The average length of sentence is two years six months

The number of female inmates is nine. The average length of sentence is two years three months.

A further breakdown is as follows: Between the ages of 18 to 25 - one; Between the age of 26 to 40 - seven; Over 40 - one.

SUPPLEMENTARY

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Is the Honourable Member in a position to say if the numbers in the age groups 18 to 25 and 26 to 40 have been constant over the last two years, or have there been any fluctuations? If so, in what direction?

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. James M. Ryan: I am not in a position to say whether the numbers in those age categories are increasing, decreasing or holding constant.

The Speaker: The next question is No. 61, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 61

No. 61: Mr. Roy Bodden asked the Honourable Third Official Member responsible for Finance and Development to state the number of customs duty evasion cases uncovered since June 1995 to date.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: For the period June 1995 to present, the Customs Department Task Force Unit in its routine inspection disclosed a total of 66 duty evasion cases.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Can the Honourable Member say how many of these cases have been recommended for prosecution, or how many have been settled without prosecution?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: They have all been settled without prosecution.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Can the Honourable Member state whether any of these cases have been by entities with a previous history of custom evasion?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: These were all first time offenders.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Can the Honourable Member state what the policy is in these types of circumstances?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Provision is made under the law for three times the duty to be applied in the case of duty evasion. But the Collector of Customs has discretion in these matters and he often seeks the advice of the Legal Department before the introduction of such penalties.

The Speaker: The next question is No. 62, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 62

No. 62: Mr. D. Kurt Tibbetts asked the Honourable Minister responsible for Agriculture, Environment, Communications and Works why the 9-1-1 system is being relocated from the George Town Fire Station to the 3rd floor of the George Town Police Station.

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: In answering a similar question asked by the First Elected Member for Bodden Town at the First Meeting of this Honourable House in February, I provided the answer as to why the 9-1-1 system was relocated to the Central Police Station. The same answer still stands, which is as follows:

After having conducted a final evaluation of the project, prior to entering into contract for the system, it was determined that the majority of calls are of a police nature and with the grouping of Emergency Medical Service and police in central dispatch utilising the same staff, a savings of approximately \$378,000 will be realised, thus making it more practical in having the system housed there.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Could the Honourable Minister say how many additional staff members are being recruited to operate the 9-1-1 system?

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Six posts were established in supervisory positions.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: I did not ask how many posts were established, I asked how many people were being recruited.

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: The recruiting is being done at the present time and interviews are being carried out by Personnel. I cannot remember any figures. If the information is available at a later date, I will be happy to provide it.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: If, as the answer states, after having conducted a final evaluation of the project (prior to entering into the contract for the system) it was determined that a majority of the calls were of a police nature, why, then, did the Government go ahead before that to construct an addition to the existing Fire Station to house the 9-1-1 system?

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: I will have to repeat to the Member what I said to the First Elected Member for Bodden Town when he asked the same question in February, and that is that it is far from being truthful that that building was constructed for the 9-1-1 system. The 9-1-1 system was going to utilise a small portion of the building built at the Fire Station for emergency services.

The Speaker: The next question is No. 63, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 63
(Deferred)

No. 63: Mr. D. Kurt Tibbetts asked the Honourable Third Official Member responsible for Finance and Development what the figure for General Reserves was as at 30th November, 1992, and what is the projected figure for 31st December, 1996.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Madam Speaker, the answer to this question is not likely to be finalised until early next week. Accordingly, I would like to seek the leave of this Honourable House, under Standing Order 23(5) to defer the answer to Question No. 63 until a later Sitting.

The Speaker: The question is that the answer to Question No. 63 be deferred until a later Sitting during this Meeting.

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

AYES.

The Speaker: The Ayes have it. The question is accordingly deferred.

AGREED. QUESTION NO. 63 DEFERRED.

The Speaker: The next question is No. 64, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 64

No. 64: Mr. D. Kurt Tibbetts asked the Honourable Minister responsible for Education and Planning how the numbers of Cayman Airways Limited's staff compare at present with the number after it was down-sized three years ago.

The Speaker: The Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: Cayman Airways Limited's down-sizing took place over a period of nine months starting in April 1993 when the employee count was 393. By December 1993 this figure had been reduced to 322.

Through June 1996 the employee count stands at 308. These figures include the North American offices.

SUPPLEMENTARY

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Might the Minister have a breakdown of this number of 308, as to how many Caymanians are employed?

The Speaker: The Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: I do not have that, but I can assure the Member that Caymanians were kept in preference to non-Caymanians. Obviously, the fact that we

are now another 14 below the down-sizing goes to show that Cayman Airways has been prudent in its operation. It is obviously not the answer that the Member wanted.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Madam Speaker, the Honourable Minister has no idea about the answer that I wanted, I simply asked the question.

The Speaker: The next question is No. 65, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 65

No. 65: Mr. Gilbert A. McLean asked the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation whether a contract has been signed with McAlpine Limited for the construction of the George Town Hospital and, if so, what was the date of signing and the amount of the contract.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: The standard Cayman Islands Government Construction Contract, entitled G.C. Works 1, is the United Kingdom's Government standard contract, modified in July 1986 for use in the Cayman Islands and approved by Government's Legal Department. G.C. Works 1 does not require a formal signing for the contract to be binding. The legally binding contract is actually established without any "formal signing" ceremony at the conclusion of a three stage process:

(1) the contractor submits a written tender which is his offer to carry out the work in accordance with the tender documents;

(2) Government accepts the tender in writing;

(3) the contractor acknowledges in writing that he has received Government's written acceptance of the tender.

McAlpine Limited provided Government with the necessary written acknowledgement of receipt of acceptance on 27th March, 1996, thereby establishing a legally binding contract to construct the new Cayman Islands Health Services Complex. I therefore announced to the general public by way of a media conference held on 27th March, 1996, that the contract had been awarded to McAlpine Limited for the sum of \$17,988,805.52.

Just for information, this is the type and size of the G.C. 1 provided to Government.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: I am somewhat baffled this morning. I think we have come upon a brand new situation, at least as is known or heard about in this House.

Is the Honourable Minister saying that there is no formal contract signed with McAlpine Limited setting out specific conditions and terms? Exactly what is the answer here saying?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: As I set out, it shows the procedure which... and for the information of this Honourable House, I would be willing to table this document which is used universally by Government Services to provide contracts to tenders.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Would the Honourable Minister say if there is any signing in this document at any time, or can one walk away from it, stay with it, or exactly what is the situation? What makes this document legally binding as a contract? Perhaps the Minister would table it, as it would be an edification for all of us.

The Speaker: I need to say that that answer has very clearly been provided by the Minister in the first paragraph. It does say that it has been approved by Government's Legal Department. The legally binding contract is actually established without any formal signing ceremony. Therefore, Government has accepted the tender in writing and it is legally binding. I do not think the Minister can add anything further.

The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Could the Honourable Minister say what makes the document legally binding?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: As I have been advised by the Legal Department, it is the three steps as set out here. I do not know what else I can say. Unlike the last time when the contract was signed, we have done all things properly. Everything done on this hospital situation has been set out in Government guidelines. It has taken a bit longer, but I made very, very sure that what was done was done in the proper procedure.

The Speaker: The last supplementary by the Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Could the Honourable Minister say if there is any break-clause with a penalty, and is the amount of \$17,988,805.52 provided for anywhere by a Money Bill at this time?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: There is within the contract the right for Government to break the contract. The funding, as I said when we originally spoke about the hospital, has been appropriated by this Honourable House in Finance Committee's November sitting, for funds we would have used this year. Next year we will deal with them as needed.

The Speaker: The next question is No. 66, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 66

No. 66: Mr. Gilbert A. McLean asked the Honourable Minister responsible for Education and Planning whether Board Meetings of Cayman Airways Limited are held overseas and, if so, how many were held during the past year, and where.

The Speaker: The Honourable Minister responsible for Education and Planning.

Hon. Truman M. Boddien: The Board of Directors of Cayman Airways Limited holds a planning meeting in one of its gateway cities annually. The meeting is usually held in June. This year's meeting was held 5th and 6th of June in Houston, Texas.

SUPPLEMENTARY

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Does the Board of Cayman Airways hold any meetings other than planning meetings overseas, and were any held in the past year?

The Speaker: The Honourable Minister cannot answer that as it was not part of the substantive question about a meeting being held last year. If he is able to do that, well and good, but if not, it was not part of the original question.

The next question is No. 67, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 67

No. 67: Mr. Gilbert A. McLean asked the Honourable First Official Member responsible for Internal and External Affairs what is Government's policy regarding Civil Servants flying first-class.

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. James M. Ryan: Officers entitled to first-class travel overseas are: The Governor; the Chief Justice; Official Members of Executive Council; Permanent Secretaries if accompanying any of the aforementioned on duty.

I should like to note that Elected and Official Members of Executive Council have waived their right to travel first class and instead travel business or club class.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Could the Honourable Member say if he is aware of any instances where some Heads of Department travel first class?

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. James M. Ryan: I am not aware of specific cases, but I do know that in North America on domestic routes where business or club class cabins are not available and where the flights are longer than two hours, that first class is allowed.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Is this allowed for Heads of Departments, because the list here shows Permanent Secretaries.

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. James M. Ryan: There is an entitlement for business or club class travel, and most Heads of Departments above a certain salary cap are allowed to travel this class.

The Speaker: The Member for North Side.

Mrs. Edna M. Moyle: I wonder if the Honourable Member could say why the Speaker of this Legislative Assembly is not in this list of officers entitled to first class travel on duty.

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. James M. Ryan: The simple answer is that it is not listed in the General Orders. But I thank the Member for North Side for bringing it to my attention. This can certainly be done.

Perhaps I should simply point out that in the past, and the General Orders go back a long way, the President of the Legislative Assembly was the Governor, and

he travelled in his capacity. But that is an oversight that can and will be corrected.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: In the list of officers entitled it says Official Members of Executive Council, but the footnote speaks of Elected and Official Members. For purposes of clarity, would the Honourable Member say whether Elected Members of Executive Council are entitled?

The Speaker: The Member cannot really reply to that as it is clearly set out "**Officers entitled to first-class travel overseas are: The Governor; the Chief Justice; Official Members of Executive Council; Permanent Secretaries if accompanying any of the aforementioned on duty...**". The additional footnote says "**Elected and Official Members of Executive Council have waived their right to travel first class...**".

Can you answer, then, why the Elected Officials are not included in the first part?

Hon. James M. Ryan: The reason for that is that the substantive question asked what was Government's policy regarding Civil Servants flying first class. I simply put in, in addition to Official Members having waived their rights, that Elected Members also did the same thing.

The Speaker: If there are no further supplementaries, that concludes Question Time for this morning.

Other Business, Private Members' Motions. Private Member's Motion No. 3 of 1996. The Second Elected Member for Cayman Brac and Little Cayman.

OTHER BUSINESS

PRIVATE MEMBERS' MOTIONS

PRIVATE MEMBER'S MOTION NO. 3/96

DEBATE ON THE REPORT OF THE PUBLIC ACCOUNTS COMMITTEE AND THE AUDITOR GENERAL'S REPORT ON THE AUDITED ACCOUNTS OF THE CAYMAN ISLANDS' GOVERNMENT FOR THE YEAR ENDED 31ST DECEMBER, 1994, AND THE GOVERNMENT MINUTE WHICH RELATES TO IT

Mr. Gilbert A. McLean: I beg to Move Private Member's Motion No. 3/96, Debate on the Report of the Public Accounts Committee and the Auditor General's Report on the Audited Accounts of the Cayman Islands' Government for the year ended 31st December, 1994, and the Government Minute which relates to it.

"BE IT RESOLVED THAT the House now debate the Report of the Public Accounts Committee and the Auditor General's Report on the Audited Ac-

counts of the Cayman Islands' Government for the year ended 31st December, 1994, together with the Government Minute, subsequent to it having been laid on the Table of this Honourable House on the 18th day of March, 1996."

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. I respectfully beg to second the Motion.

The Speaker: Private Member's Motion No. 3/96, having been duly moved and seconded, is now open for debate.

The Second Elected Member for Cayman Brac and Little Cayman.

(10.45 AM)

Mr. Gilbert A. McLean: The three reports referred to were, in effect, set down for debate at the request of the Chairman of the Public Accounts Committee when the report of that Committee was made earlier this year.

The three reports reflect perhaps the most comprehensive view of Government's overall monetary operation, the effects of it, the lack or the result from these various areas. There is much information contained in these three documents. I do not propose to attempt to speak on all of them, but I have chosen certain areas which look at the findings of the Auditor General, the Public Accounts Committee and Government's reply to some of the statements in the Auditor General's report and the Public Accounts Committee Report, and Government's answer to the queries raised.

I would first of all like to comment on the question of debt collection as referred to in the Government Minute, where the Government says that it is undertaking to set up a debt collection unit and that some debts are not collectable. The point I make is that it is obvious that the system which existed during 1994, and perhaps to date, has not been adequate to address one of the most basic and fundamental needs of the Government, that of collecting debts owed to it. If there is recognition that there are debts owed to it, then there is not in place (at least at this time) the means by which it can legally be done.

There was also an undertaking by the Government that steps would be taken to see to it that legal expertise was available, where necessary, to collect outstanding monies through the courts. The amount of money outstanding at the time of the report of the Auditor General was \$12.5 million. According to the Government Minute, only \$6 million or \$7 million of this might be collectable. This raises the question why the other \$6 million is not collectable, and it also places an onus on the Government to tell the public what type of debts we are talking about and, indeed, to come to the Finance Committee to seek approval for a write-off of these amounts and, for that matter, to have these amounts approved by this Legislative Assembly.

Another area of considerable significance is the radio and television licensing fees. The Government has responded to this outstanding amount by saying that CITN and CTS (which are Cayman International Network, Caribbean Limited and Cayman Television Services Limited) have permanent licences and the licence for Z-99 is now in the process of finalisation. The point that was made by the Public Accounts Committee is that by these licences not being granted Government was not really in a position to collect the fees from these licences; and there seemed to have been considerable doubt as to how much should be paid in this particular instance.

The Public Accounts Committee made the observation that the receipt of royalty fees was dependent on the issuance of a permanent licence. They went on to say that **"It is not clear to the Committee the date from which CITN's royalties are payable. Additionally, Executive Council is said to have granted a 12 month moratorium on royalty fees from the commencement of cable broadcasting. The MMDS licence is silent on a moratorium period and does not specify the commencing date for royalty assessment. Witnesses were not able to clarify these points. As a result of these uncertainties, the Committee was unable to establish the extent of revenue arrears."**

This is typical, it seems, of the type of contracts that are written under the present Government. There is always doubt as to when the person must begin to pay the Government, and when it comes into effect. With the Executive Council granting moratoriums it seems to be vague as to the length of time and when anyone should start paying. These things continue to show a lack of proper financial management under the Government of the day.

The television station, too, according to the Public Accounts Committee, is supposed to submit annual audited financial statements to Government. The Committee stated, and I quote, **"The Committee is concerned that the licensee has failed to provide these audited accounts, despite numerous requests from the Ministry..."**. It seems that we have a developing situation, as with the dredging in the country. I further quote, **"Since presentation of the Auditor General's Report, the Ministry has received some recent quarterly audited statements of revenue and the latest annual unaudited management accounts for WestStar TV Limited. Ministry officials confirmed to the Committee that these statements do not meet the licence requirements."**

This Legislature has a duty to insist that the Government carry out the business of the people of this country by collecting fees which are due to it. There is but one functioning television service here, which is CITN; although there are also claims that there is one CTS. That seems to perpetually run information on the Cayman Islands which would be of particular interest to visitors. I have wondered about that programme and who pays, for I do not believe that channel 24 runs per-

petually without someone paying for it. I wonder if it is the Government or not.

I am particularly concerned about the operation of television in this country in that I was the person back in 1990, or 1991, when the possible awarding of licences was coming up (and there was then a different company offering television services), who brought a motion that no one company should have a monopoly in offering television services. The House agreed unanimously with the Motion. The Government of the day issued more than one licence.

What now appears to be happening is that there is a collusion between the persons who have the two licences, supposedly under the guise that one management company is managing the two television stations. I want to know how one management company is going to manage two television stations and there be any form of competitiveness in it. Or is there not to be any competitiveness? Is it purely a money deal for one group of persons to have the television licenses in the Cayman Islands, controlling television broadcasts, while others are excluded therefrom? What does the country get for it?

One thing I noticed is that when it comes to local television programming in this country, it is virtually zero unless one chooses to see Issues 27 (as it is so-called) which is put on by the television station every now and then as local programming. One of the things this country needs is local programming to educate the people of this country in their rights as citizens and in the functioning of Government; in the rights and privileges of voting and the importance of voting; programmes that would make for a more informed and better educated public. The Government itself has not done this. For years I have been an advocate of programming similar to PBS, where sponsors could be found.

The latest thing that we hear of in the direction of Government is that a programme is supposed to come into effect to show the wonderful things which are happening politically in various Government departments. That is not really the most important aspect to the public.

I think the question of television services in the Cayman Islands needs to be seriously examined to determine the public benefits that can be derived from it. It is also necessary for the Government to collect any fees outstanding to it from this particular service. It should not fall into the category of the dredging royalties.

Undoubtedly, the only ads that go on the television are those that are paid for, and the only people who watch the cable television are those who pay their fees - they would be cut off otherwise. The Government should be as positively responsive as the television station is.

I also believe that it is important to see that there is competitiveness in television - even to the point where Government advertises for persons who might be interested in offering television services here in the islands to ensure that it does not simply fall to only a handful of individuals, or to a company that has cross-pollinated and become one, it seems.

I hope that the Government-managed audit, which the Government claims to be carrying out in regard to these television stations, has been carried out by this time and that the Government would be in a position to say that they have collected the monies which are due. I also hope that the moratorium has come to an end by this time.

The next point that I would like to raise is in regard to the statement of losses and waivers as identified by the Auditor General, and also noted by the Public Accounts Committee. We hear of various duty write-offs. Invariably it never happens to the poor man on the street, not to the person who can best benefit from reductions in duty, and so forth, we hear of it happening to major establishments such as the Westin Casuarina Hotel, which had a write-off, or a reduction of up to 15%. If I remember correctly, in the last report given by the Financial Secretary (in reply to a question) it owed in the region of \$200,000 in disputed customs duty.

It is important for the Government to determine where there is genuine need for a waiver of duty, or for duty to be taken off, or for a reduction in fees as the case may be. In the Government Minute the procedure that is followed, according to the Government statement, is that when there is a request for a waiver in custom duty, this is made to the Minister for Tourism. In cases where it relates to private industry incentives, or to the Portfolio of Finance, in cases where it is religious, charitable or sporting organisations, the Government says that these are carefully researched and advice from various departments is sought. This includes consultation with Immigration, General Registry, Customs Department, the Minister of Tourism, Economics and Statistics Department. If all of these persons are consulted in regard to waiving of customs duty, I wonder why there seem to be so many problems with collecting duty, even at reduced rates? Why does the Government sit around and allow these things to happen and find excuses for payments not being made?

I am told that in the case of one particular hospital property there is an incredible 'sweetheart' deal ongoing, one which I am not totally informed about as yet. If it is as the first indications to me suggest, it has to be one of the greatest skimming operations that has come about in a long time, and certainly one of the biggest losses to Government's revenue. I hope to have more information on that in the not-too-distant future, at which time I will approach Government for some answers, through Parliamentary question or otherwise.

There is the ongoing problem of collection of hospital fees. The method which could have best suited Government was for these fees to be collected through a statutory body, such as was in place with the Health Authority. One of the main reasons for the establishment of that was the considerable reluctance on the part of the public in general to pay Government for medical services supplied. It is something which has developed over generations - that Government, being the entity that it is, is supposed to provide for the need, even where money is not available.

Successive administrations have not taken as tough a stand as should have been taken in many instances. Even now there are many cases where money is owed to Government. The Government statement in this regard says that steps are being taken to improve the accounting system and the billing system. All of this is fine, but one has to wonder seriously if it would not be in the best interest in offering health services to have a statutory authority, like the Port Authority and the Water Authority, which takes a business approach and does not have to be in any way persuaded, dissuaded or influenced by what might be the political sympathy of the day when collecting for these services.

Vast sums of money are being paid from the Cayman Islands into at least one industrialised country of the world - the United States - for health services. All of us know that it is one of the most costly in the world. Here we are talking about millions of dollars in any given year. Health service is one of the major areas where Government must ensure that the mechanisms to provide for collection of fees, once the service has been rendered, are in place.

The Auditor General in his Report made note of the fact that the money which was spent by this Government to build private roads and driveways in West Bay was at the time unauthorised by Parliament. Private driveways with public funds. Strangely enough, there is not a single comment about that in the Public Accounts Committee's Report, and it is easy to know why.

In the Public Accounts Committee of the Legislature of the Cayman Islands, there is not a single Member of the Opposition. It is chaired by a Government Backbench Member and all of the other Members are Government Backbench Members. It is certainly against all convention under the British style of Government. It is essential that there be some opposing persons within that Committee who would be inclined to query things the Government is doing while, naturally, the Government Members will try to find reason or excuse for everything the Government is doing. This was one such case.

The Auditor General says (and I quote), **"In August 1994 verbal instructions were relayed from Ministers to the Acting Chief Engineer, Public Works Department, to the effect that funds were to be re-allocated from an approved project (\$400,000 for land purchases, authorised for the proposed Harquail Bypass) to certain projects to be carried out primarily on private roads and driveways in the West Bay District. For fiscal 1994 a total of \$347,177 was spent or committed on these projects. However, at the time payments were made there was no Legislative or other acceptable approval in place to permit expenditure against these projects."** (1.7).

This particular thing is continuing in a big way, for the spending of public funds which started in the western-most district of Grand Cayman has ricocheted into the Eastern-most district of Grand Cayman. Never has the like been seen, where citizens in that district stepped from their front doors onto tarmac in just about every

single footpath that exists in that district. I hope that the Auditor General will again note and examine what has occurred in this instance. If there has been authorisation, it certainly did not come from the Finance Committee or the Legislative Assembly where anyone brought a list of private roads and said that they intend to asphalt these private roads. So there is, again, this question of legality and authorisation for doing such things.

This is carrying on into other districts and, of course, the people who are getting the benefit of this are happy - as they should be. Let us not try to say that the business of Government is to make some citizens in some districts happy by using Government funds, while making others very unhappy because they are not getting the same treatment - which they have a right to expect - because Government is supposed to treat all of its citizens equally. This is not happening.

It comes back to a situation in budgeting where we are now coming up against a monstrously large sum of money - \$4 million in the most recent case - which is to be approved right now through a Money Bill, and we simply leave it to the Members who represent that particular district. If that were the right thing to do, surely we would not have the need for a Finance Committee where all 15 Members sit down to make a decision on how Government's money is spent. That is a fundamental principle under the Westminster style of Government - the Parliament approves it.

This business of approving these large blocks of money is wrong in itself where it is not attached to certain works. The Auditor General also made that point in his report: Parliament does not approve the block amount, it approves the allocation of that amount broken down into various projects for which it is to be used. That is the reason why the Financial Secretary needs to come to get approval to move one amount of money to another project if there is to be a change.

The system has been perverted under this Government. When you pervert the system you remove the degree of accountability; and the Government of the day has the driveways of those persons in the various districts who are seen to be politically correct done, while the others get punished by not having theirs done.

The Auditor General makes this comment, and I quote: "**As a result of inadequacies in the legal and accounting framework, internal rules have been developed over the years to enable funds to be switched between projects in the same or different economic sectors. On occasion funds have been switched to projects which have not been brought before the legislature for debate and approval. This seems to breach the important principle of prior Parliamentary approval which is the cornerstone of the financial supply system.**" (1.5). I could not agree with the Auditor General more. May he have long life, and may he be around these islands for a long while to come, he and his efficient unit, because never before has there been a report of this type produced. It is an enlightenment! When his report goes to the point that it

makes those observations, it is good for all of us, including the public at large.

The situation with the land purchased by Government at Spotts for a National Stadium also came under scrutiny by the Auditor General. Naturally, it got missed by the present Public Accounts Committee for the same reasons that I noted earlier - the way the Committee is constituted; but the Auditor General noted that this was anything but a generally acceptable deal. He observed the way this was handled, and it comes back to something that is ongoing. He talks about the valuation of the property. The Auditor General says on this matter of the land at Spotts, "**My office reviewed the land valuation and purchase negotiations. We concluded that the authorised policy and procedures prescribed in the 'Land Valuation Acquisition Disposal and Exchange Guidelines' had not been complied with by those involved in the purchase negotiations.**" (1.49). It would be difficult for him to be more specific than that.

Bringing it into immediate focus, I wonder if the Land Valuation Acquisition Disposal and Exchange Guidelines have again been overlooked in the most recent business of acquisition of lands now before this Legislative Assembly. In this particular exercise the Auditor General says, "**Originally it was intended that only five acres should be acquired in lieu of dredging royalties. The vendor appears to have been in contact with the Ministry of Agriculture, Communications and Works who requested a valuation from the Director of Lands and Survey in January 1994. This valuation was completed in February 1994. The Lands Officer reported that the land was flat, level and clear of all indigenous vegetation except for some bushes and grasses. The surface was reported as flat rock and clear of surface water. The Lands Officer concluded that the land was ready for, and capable of supporting immediate development and valued the five acres at \$225,000 (\$45,000 per acre).**" (1.50).

I note here that it speaks of five acres which the Government Land Valuator found acceptable. But then a strange thing seems to have happened. I quote what he says: "**According to Lands and Survey's records, an informal meeting took place on site on 16 March 1994, between Ministers, MLAs, the Lands Officer, Government Secretaries, the Sports Director, PWD Engineers, the President of CIFA (Cayman Islands Football Association) and vendors. The purpose of this meeting revolved around Government's need for a 40 acre site for the national sports and recreation centre. Subsequent to the meeting, vendors offered the full 39.55 acre site to Government at \$45,000 per acre.**" (1.51). It was left to the Lands Officer to conclude this.

The interesting thing is that the Auditor General notes in his report that "**The 39.55 acre site was never valued or inspected by the Lands Officer prior to the discussion with the vendors. The Lands Officer's valuation of \$45,000 per acre related to a five acre**

site cleared of vegetation, flat and free of surface water. The site conditions of the 39.55 acres being acquired appear to vary considerably. Old survey maps show about 2.5 acres of surface water." (1.51). In other words, Government bought some ponds at \$45,000 per acre!

These are some of the things that have been occurring under the Government where there has been a deviation from the process. That deviation seems to be continuing, and something as major as this was not even mentioned or commented upon in the Report of the Public Accounts Committee. We are at a point in time where we still have need for proper process and for proper valuations - not diversion from them.

Another matter which is of ongoing significance is the matter of dredging .

The Speaker: Would the Honourable Member take a suspension at this time?

Mr. Gilbert A. McLean: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.34 AM

PROCEEDINGS RESUMED AT 12.17 PM

The Speaker: Please be seated.

The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

GOVERNMENT BUSINESS

MOTION WITHOUT NOTICE

(Standing Order 11(1))

ADJOURNMENT OF THE HOUSE

Hon. John B. McLean: Thank you, Madam Speaker.

Under Standing Order 11(1), I seek leave of the Chair to move a motion that this Honourable House do now adjourn to debate a matter of great importance.

The Speaker: The Honourable Minister has discussed this with me, and I would now propose the question that the House do now adjourn.

Honourable Minister, would you like to speak to the motion?

(12.17 PM)

Hon. John B. McLean: Thank you, Madam Speaker.

To say the least, it is the first time during my 20 years in this Honourable House that I am so disturbed over an act such as has occurred here today. I deeply regret that this country has come to where Parliamentarians are not even safe within the Legislative Assem-

bly. A senior Member and Minister has been literally attacked by somebody placing what is known here in this country as "Cow-itch" in his jacket.

If this is the beginning of the 1996 election, God help this country. Such an act of bitterness and hatred is beyond all belief. It is honestly hard for me to comprehend that in my 20 years of serving my people I would see such a bitter act, knowing that this was carried out on a Minister who has slaved for this country, the Honourable Truman M. Bodden.

It is ridiculous, and I am here to say that I find it hard to believe that a Member of the public could walk through the door, come into this building and know where to find any one of our jackets. This bothers me because if I leave my briefcase in this place for a week, or a month, I should be able to come back and find that as I left it. This is our Parliament building. We are put here by the people of this country and, by God, to come to this.... It is ridiculous to know that these beautiful islands could ever come to something like this.

We all know that the Honourable Truman Bodden is an individual who suffers with certain allergies. This good man could have been killed today through this act of violence. I am not asking anybody what they saw. I saw it myself when he pulled off his jacket. A piece of cow-itch was lodged under the arm of the jacket. It was shown in turn to another Honourable Minister, and I advised Mr. Bodden that he should not put that jacket on again, but should get out of here and try to get it off.

Is this the way that certain people believe this country will survive?

It is with deep regret that I even have to stand here as Father of this House, as the senior Minister, to bring such a matter to the public today. But the public needs to know exactly what is going on in this country and to know what to expect in the general election we are facing.

I invite the churches to come forward and unite and pray for the people of this country, and for some of those who are jumping around calling themselves would-be politicians... God help us. God help this country if this is where we are headed.

I hope and I trust that what I have said here today will not be taken out into the political campaign. I intend to defend what I have said here today with the last drop of blood in my body. I repeat, it is ridiculous to know that we are not even safe as representatives of the people in our own Parliament.

I invite other Members to have their say on this ridiculous thing which has taken place in the Parliament of the Cayman Islands today.

The Speaker: The First Elected Member for Cayman Brac and Little Cayman.

(12.23 PM)

Capt. Mabry S. Kirkconnell: Thank you, Madam Speaker.

I think that I am the second longest serving Member of this House. It is with deep regret that I stand to say a few words here today.

I think that we have all been honoured by the people of our districts in being elected to represent them. We have all done this to the best of our ability. To see an occasion like this today... I wonder what will be next. This is serious enough, but there could be something worse.

We have all had businesses of our own and occupied other professions, but we have chosen to serve our country and the people who so graciously voted for us in numerous elections. That something like this could take place in our Legislative Assembly is a black mark on our beloved Cayman Islands today. I sincerely hope that it will be the first and last.

I would like to say to all of the people of the Cayman Islands that we have a wonderful country. We should all be induced to try to preserve and protect the freedom and blessing which God Almighty bestowed upon us. I stand here today and ask for God's guidance for this country, and for the protection of all of our people, for His leadership and direction... and that those people who may think this is funny will realise the seriousness of it and the black mark which it places upon our country which we love so greatly.

With these words I close by asking God's blessings on the people of the Cayman Islands.

The Speaker: The Fourth Elected Member for West Bay.

(12.26 PM)

Mr. D. Dalmain Ebanks: Thank you, Madam Speaker.

It is with a sad heart that I speak about this act which has closed this Honourable House down. It was such a mean, cowardly act. Use of cow-itch is a criminal act and anyone caught using it should be punished severely. I do not feel that the use of cow-itch was just a prank, it was put here for a deadly reason. This goes to show that Cayman is not the Cayman that we once had. We have to take drastic measures to ensure the security in this House, the Glass House and every other Government building.

I hope that somehow or another it will be revealed who did this cowardly, nasty act, and that they will be punished for it. I would like to punish them myself.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

(12.27 PM)

Mr. Gilbert A. McLean: It is true that at the same moment we are born, we begin to die. Regrettably, from the time a person becomes an Elected Member of this Legislative Assembly certain feelings, both negative and positive, are directed against him - even by those who actually voted to get him in here.

What has occurred here today is extremely unfortunate, both for the Minister and Member of the House affected, as well as the fact that such a thing could occur in this House. I think what it points to more than anything else is that the Cayman Islands we live in now is not the one that used to be.

It is a question of doing all that is possible from a security point of view. The records of this House show, I am sure, that in the House Committee I have time and time again spoken about the security in this Legislative Assembly. We cannot rely on the fact that because it is here no one will do anything. There are persons who access this House on a daily basis, perhaps a dozen times per day, who walk the corridors on the western side of it going all the way to the back to use the rest rooms which are designated for the public. Anything could happen here.

While I have been chided on so many occasions that I take these things too seriously, I would rather be safe than sorry. I believe it is necessary to put in place a proper security system. The present House Committee has the metal detectors at the front and swipe cards at the back, but we also need to physically control the movement of people. That this, or something more serious could occur shows that we need to seriously address the matter of security.

In saying that, I realise that we normally rely on the police. But it stands to reason that if police officers are here they cannot be doing other police duties. I think we should look to hiring some kind of security personnel to be here doing specifically the job which needs to be done.

This is an unfortunate situation to say the least, and I trust that we can at least agree to do something which will prevent this, or anything else, from occurring in the future.

The Speaker: The Elected Member for North Side.

(12.31 PM)

Mrs. Edna M. Moyle: Thank you, Madam Speaker.

Yesterday, when the Pensions Bill was passed in this House removing the discrimination against female officers, a positive mark in the history of this county was made. Today we are looking at the dark side of things which can happen in the Cayman Islands - when someone entered this Parliament building (if it was someone from outside, which I hope it was), and put cow-itch in the jacket of an Honourable Minister. That does not speak well of the Cayman Islands.

One would think that when a person is elected and enters this building that he is as safe as one can be. Unfortunately, this incident today has changed all of those thoughts. Being one of the victims of this cow-itch by sitting in the chair under Mr. Bodden's jacket, I will constantly be looking over my shoulder to see what is coming next.

If someone is so vicious as to plant cow-itch, we must ask what will that person do next? That person, in

my opinion, would kill any Member of this Parliament in cold blood, because to put cow-itch in someone's clothing can have the same effect. This is particularly so in the Honourable Minister's case as he suffers from severe allergies.

As the Second Elected Member for Cayman Brac and Little Cayman said, the House Committee has constantly been asking for proper security in this building. We have the equipment at the front, but we all know that as we walk through it beeps and there is no one there to question anyone. I have spoken to the Honourable Chief Secretary who has given me the undertaking that he will see what can be done as soon as possible. As a matter of fact, I am asking the Members of the House Committee to meet immediately after the adjournment to draft a letter to the Honourable Chief Secretary stating the requirements of what we would like to see in a security system for this Parliament building.

I remember, having worked here as Deputy Clerk many years ago, ropes being placed across the corridors to prevent people from entering the western corridor to go to the back. I recall that the public was not allowed to use the bathrooms at the rear of this building. We must put these sort of security measures back in place.

As Chairman of the House Committee, I give this House my undertaking that we will do whatever is necessary next week to have proper security measures put in place in this Parliament building.

If the Police find out who did this terrible act, as the Honourable Member for West Bay said, I hope they are severely punished.

The Speaker: The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

(12.35 PM)

Hon. W. McKeeva Bush: Thank you, Madam Speaker.

I rise to voice my concern over the dastardly act which has taken place, and to say that I am not surprised in any way, shape or form. I am going to speak openly and honestly about this matter because, as far as I am concerned, Ministers of Government have been gentlemen (although called many other things) and have suffered too much abuse for it to continue.

These islands have always been a place of peace and tranquillity. While there have been threats in this House, up until yesterday there has never been this sort of act. I know what cow-itch feels like; in primary school I came into contact with it. I can tell this House that I have never forgotten what that is like, and it is not a good thing.

Members have spoken about the need for security. I agree. But I am not here to blame any House Committee, the staff of this Parliament or anybody else, because we do have a system in place. The system that we have in place would not pick up cow-itch. It picks up knives and metals. I believe that any system we put in

place, unless we put in place one that is so fine-tuned that we pass everything through it... certainly, the one we have now would not pick up vegetable matter, as such. I believe, as the Member moving this motion said, that for a member of the public to be able to walk into this House and go into the room where the coat of the Minister hangs and put cow-itch in there - they had to know where it was.

Let us be frank with ourselves: We need to be secure, but can we be secure from ourselves? That is the question we need to answer. When Members of this House can be attacked in the parking lot or within the precincts of this House, as I was yesterday by one of the protesters (namely, one of the Wight twins) it is going too far in this election.

I heard some time ago (I think it was in the last Meeting) that the electioneering would start with the June Meeting. If this is how they are going to start the electioneering, then I am sorry, I will not be a candidate. I get hot in this House and elsewhere, and I shout; but I certainly do not threaten anybody or abuse anybody in any other way. If they mouth me, I mouth them back. But when people are prepared to give of themselves (and we do give of ourselves) then it is time that we say so.

We have to take much abuse as Members of this House, not just the Ministers, all Members take much abuse. We get accused of stealing, of taking bribes... when I see the kinds of faxes that are sent around I have to wonder exactly where they are going with this election. I have to wonder if people remember that they have children. My mother always used to say to me, "Remember, you have children." She used to say that she, as a mother, could not say this or that about another person's child because she had children too. We must all remember that in this House.

I hope to God that, as the Elected Member for North Side said, it did not come from within this House. No security system will pick up cow-itch. I pose the question: Are we secure from ourselves? Members of this House, please let us get back to being honest with ourselves. I do not think this was an outside act. If it was an outside act, someone told that person where Truman Bodden's coat was.

I am sorry to have to be speaking this way, but it is the truth. When Members of this House can constantly be abused...I do not care who they support, whether its the National Team, Team Cayman or the Democratic Alliance, this has to stop. We must say to all of our people, supporters and friends alike, the electioneering is one thing, but when it goes this far we are damaging the Cayman Islands.

Thank you, Madam Speaker.

The Speaker: The Third Elected Member for George Town.

(12.41 PM)

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker.

I, too, rise to voice my disappointment and concern over the incident which has taken place. Of all the Parliamentarians in this Honourable House, the one individual who was targeted, Mr. Truman Bodden, is perhaps the most gentle and non-aggressive individual in this House. Unfortunately, he seems to get all the licks in whatever takes place. If someone does not support him or agree with the stand that he takes on certain issues, that is their privilege; but to stoop to this level is very, very sad.

Unfortunately, history was made here in that we had to close down this House today. It is very negative and it sends out bad messages in an election year. As previous speakers have said, I hope that all individuals, whether supporters or non-supporters, will respect the position that Parliamentarians hold. We are here to represent them. I hope that this will never happen again in the history of this Parliament on any occasion. This is very sad and unfortunate.

Thank you, Madam Speaker.

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

(12.43 PM)

Hon. James M. Ryan: Thank you, Madam Speaker.

I rise to voice my disgust at the cowardly act that has taken place here in this Parliament with the placing of cow-itch in the jacket of one of the Honourable Members of this House, the Honourable Truman Bodden.

It is a dark day in the history of Parliamentary Democracy of this country when Members cannot put their personal effects down and know that they will not be interfered with. I am thoroughly disappointed and disgusted that such a thing could happen.

We have had a measure of security for the Legislative Assembly building. The Member for North Side, the Chairman of the House Committee, has just asked that efforts be made to increase security. As soon as I get the specifics of what the House wishes, the matter will get top priority. Again, I must voice my disgust that such a cowardly act has taken place.

Thank you, Madam Speaker.

The Speaker: The First Elected Member for Bodden Town.

(12.45 PM)

Mr. Roy Bodden: After an occurrence such as this it is difficult not to be emotional. We should take this as a lesson that we need to be more conscious of the security of our surroundings and our persons.

Since I came here in 1988 I have held (based on observations I made in other countries) that the security of this Parliament has been far too lax for far too long. We need not sequester or isolate ourselves, but we

need to move with the times and adjust ourselves accordingly.

I too have witnessed Members accosted in the parking lot, have heard abuses hurled from across the street, have been chased and sometimes (more often than the accosting and hurling of abuse) pounced upon, solicited and begged. There is nothing wrong with that, but our people must respect us enough so that when they enter these precincts... these are sacrosanct. This is their building, we are their servants, their Ministers. What has happened is indeed regrettable, and I hope that the Honourable Minister has a speedy recovery.

I want to say, because there is a lesson to be learned from this, that no good can come of finger-pointing and accusing. What we have to do is to protect ourselves so that this incident does not happen again.

I have seen people from the public walk in with paper bags and all other kinds of bags. They do not say anything (they certainly did not say anything to me, they walked past me) to the office staff, and proceeded to go to the far... I did not even know until I raised queries that there is a thing called a public bathroom. This is a Parliament, we have to be exclusive, there is no other way to describe it, as a club. Although we are representatives of the people we cannot cater to people walking in from off the street to use the bathroom.

It is cow-itch now, what if it were a bomb? It is regrettable, but we have to say to the public that some of these things will have to be curtailed. When they visit their representatives they will have to be prepared to at least go through some kind of rudimentary questioning. To know that a Member's jacket is not safe...who knows the extent of it. It would have had to have been some sort of conspiracy.

Even though we have a gate in the parking lot which operates with an electronic device, that is not safe either. Today must be the beginning of a new awakening for us. It is regrettable, but let us hope that the matter goes no further and that this will be a single, isolated incident.

Our apologies have to go out to the public, but we cannot leave ourselves so open that we are subjected to these types of things.

The Speaker: The Honourable Minister responsible for Tourism, Aviation and Commerce.

(12.49 PM)

Hon. Thomas C. Jefferson: Thank you, Madam Speaker.

I rise to air my disappointment at the gutter level that some person has actually stooped to, to damage one of my colleagues, the Honourable Truman Bodden, by placing cow-itch inside of his jacket while it was hanging in the Common room of this Honourable House.

As previous speakers have said, it has to be a dark day in the history of the Cayman Islands, but more particularly in the history of the Parliamentary procedure and the decorum of this Parliament. I believe that an act

such as this really strikes at the heart of the Government's stability. If this is any indication of the type of persons who are connected with the 1996 election... and we have prided ourselves more than 30-odd years since becoming a British Dependent Territory... I, in all of my lifetime have never heard about nor witnessed such a gutter level tactic within the Legislative Assembly.

It strikes at the heart of even the way we promote these islands from a tourism point of view. We say it is safe, and today we experience that we are not even safe in our own Legislative Assembly building. We say it is friendly, and God knows that to cow-itch somebody could never be a friendly act. I believe, as previous speakers have mentioned, that we must take action to ensure that once we enter the doors of this Legislative Assembly that everything that happens within is proper, and if anyone of us, God forbid, is personally involved with this, I think he should be (if found to be connected and in the natural course of justice) suspended from the House.

I believe that from today on any activity such as this, and any person who attempts to do such as this, will get caught. I hope that the Honourable First Official Member will ensure that the manpower is made available to the Legislative Assembly to bring all of that in line.

I know what cow-itch is. You cannot catch that with a metal detecting machine. We need more than that.

Thank you, Madam Speaker.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Thank you, Madam Speaker.

I am shocked at this atrocity which has taken place in these Honourable Chambers today. Never in my 51 years would I have thought that these islands would have come to this. The Honourable Minister has been under severe attack in the past few weeks from just about every angle one can think of. It culminated here this morning when he changed into a jacket that he has not used (which he kept in the Common room) since February. When he sat down by me at the beginning of Question Time, he asked, "Tony, what is this here? I am itching severely."

I looked (and as you know my eyes are not well, and I put my glasses on) and I could see that a piece of a pod of cow-itch was in his jacket under the armpit. This was also witnessed by my colleagues, the Honourable Minister for Communication and Works and the Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

This is a dark day for this island. This is the type of tactic that brought about the demise of so many countries surrounding us. We cannot tolerate this.

This is an election year, but we have run many, many elections without going to these low depths where snakes crawl. We all know that the Honourable Minister suffers with allergies. This could have been fatal.

It is a disgrace that someone could have entered these Chambers and done this. We, as representatives

of the people, must stand up and not allow this type of thing to go on in this country - terrorist acts which have brought down so many surrounding countries are allowed to creep into our beloved islands.

Mr. Bodden is probably one of the most gentle of all of us in here. He has done nothing but good. Is it because this Government has stood up to prevent the moral decay that has taken place in this country that we are being attacked like this? God forbid! I hope that this is not what is happening. As long as I have one drop of red blood running through my veins I will not succumb to terrorist acts. We will defend these beloved islands which have grown to unparalleled prosperity and success. This has been accomplished through our working together for the good of our country.

Whether it is political or not, I will take this opportunity to urge the electorate of George Town to support this Honourable man come November 1996. He has been an ultra-conservative, and he has done nothing but good for these islands. He will continue to do this if given another chance, but we must not tolerate these terrorist acts which have crept into these Cayman Islands.

We are not accustomed to this. This is what we read in the papers about foreign countries. It must not happen. I know that the question of security has been addressed and, without a doubt, the Honourable First Official Member will take action starting tomorrow. We are grateful for this.

In closing I would like to quote one of the Psalms, "I will not be silent, I will sing praise to you. Lord, you are my God. I give you thanks forever."

Thank you, Madam Speaker.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

(12.58 PM)

Hon. George A. McCarthy: Madam Speaker, like Honourable Members who have spoken before me, I rise to extend sympathy to the Honourable Truman Bodden who has had this unfortunate act carried out upon his person.

While I am not a politician, I know that political views will differ. I will not pretend to be naive and say that there will be any Government in the Cayman Islands where you will find everyone of equal mind. If we were to find something like that, it would spell disaster for us.

Notwithstanding that, I have sat in this Parliament and seen on previous occasions where we have had Government and Opposition. It always works very well. As Mr. Bush said, he gets hot under the collar, and other Members will get hot from time to time, but it never comes down to a point where we have seen a situation such as this, where there has been an attack upon a Member of the Legislative Assembly.

In a situation like this, no one can take comfort in saying that Member is the only Member being targeted. It could happen to any Member in this Legislative As-

sembly. In fact, it could happen to any member of the community. Someone who would walk into this Legislative Assembly with cow-itch and take the time to put that into a Member's clothing could walk into a Member's home in the night when the person is resting with his or her family and carry out acts that we would not want to contemplate or describe.

I believe that what has happened, and whoever perpetrated this act, is not what I would consider of the Caymanian mentality. I believe that it could be one of a few persons acting in isolation. This is not the reflection of the thinking of my country. This is something that is foreign and alien. This is a person who would attack a tourist, who would perform unfortunate or deviant activities and not be concerned about the consequences.

As the Honourable Minister responsible for Tourism, Aviation and Commerce said, we are promoting ourselves as a jurisdiction where safety is a key factor. I have spoken to many people who have come to the Cayman Islands and it is not only to spend time here on our beaches. Quite a few of these people are here to do business. They bring their families because they know it is a safe environment. I believe that it will continue, but this act would suggest that we should take up the mantle and observe what is laid down in the Bible about being our brother's keeper. This is a situation that should not be put to rest.

I recently saw an incident which causes me to wonder if the person who would do something like this is aware of the implications. I saw a letter that supposedly originated under the name of a Mark Pain, talking about the introduction of taxation in the Cayman Islands, suggesting that business which would otherwise be coming to the Cayman Islands go elsewhere. Whoever would do something like that is the same type of person who would walk into this Legislative Assembly and put cow-itch in a Member's clothes. It is the same person who would go and probably inflict injury on a person who is sleeping in his bed at night.

Most of us do not have our cisterns under lock and key. There are so many means by which we can be reached, but we have always prided ourselves, even when we differ and come to a fist fight, in not holding extended animosities or carrying ill-feelings towards each other where something like this would be done.

We have to look very closely and examine ourselves, and make sure that even when we are free of such thoughts that would encourage such deviant activity that we extend this to how we see other persons conducting themselves. This is the only way we are going to rout out such behaviour.

Whoever does something like this would be aware that Members in the Legislative Assembly would talk about it. It is likely that it will be in the television news today. It is likely that it will be in the papers tomorrow and it will be going abroad. When someone sits (and I know the *Caymanian Compass* is circulated world-wide) and sees something like this happening within the highest institution in the land - the Parliament of the country - what type of message does that convey?

If someone wants to undermine the stability of the country through such subversive activity, they are achieving some success. But it is not only the persons here who are affected, we are gambling with the future of our children; we are gambling with the future of the Cayman Islands. I suggest that if we are aware of anyone who would do something like this, that we do not take it lightly.

We are at a stage in these islands where, while the principles which established the solid foundation of the Cayman Islands continue to prevail, we find deviants, as are found in any given society. I am hoping that whoever has done such a thing will be found and dealt with.

The Speaker: The Third Elected Member for Bodden Town.

Miss Heather D. Bodden: Thank you, Madam Speaker.

I rise to voice my concern over this incident. As the newest Member of this House this particularly upsets me. It now makes me wonder (since it is an election year) if we are to expect worse.

I sincerely hope that whoever is responsible for this act is caught and dealt with in the same manner. This has truly saddened me today, and I pray for God's help and guidance for all of the Members of this Honourable House.

Thank you.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

There is not much more that can really be said. Each and every one of the Members who has spoken has expressed deep regret at such an incident. I have always said that I will have varying views from others at times in this Honourable House, and they will have varying views from mine. But beyond that responsibility there is always the personal aspect, and we have made mention of it; but I find it very difficult to believe that somewhere, somehow, one of our own is dealing with our own in this fashion. Sad times, to say the least. One would hope that it is not frightening times.

I am sure that I speak for all of us here when I say that regardless of differing opinions, we all understand the almost sacred responsibility that we hold. I do not believe that anyone of us here would be so unthinking as to participate in such an act. In my view, what is really important for us as Legislators is to ensure, notwithstanding the political aspect of things and the political fights that will occur from time to time, that our message to the public is never to take things personally.

Somewhere along the line something has gone wrong in someone's mind; someone feels that what was done this morning was, as a retaliatory measure, justified. We need to make sure that in all we say or do the message is that it must not go beyond the issues.

One of the Ministers mentioned about being hot sometimes. That is understandable. As he said, even with all of that we must always ensure that our message to the public is not to let it become personal.

Unfortunately, in dealing with the public there are those of us who for one reason or another tend to get excited. Maybe because they do not have the access to speak out in the forum that we do, some may attempt to deal with things in other ways. The truth is, whether I know them or anyone else in here knows them, they need to understand that when we begin to even think of acts of this nature we are spelling ruin and damnation for us all. There is no one in here or outside of here who does not understand what we mean by the implications of such an act. What I fear greatly right now, because of having to talk about what happened this morning, is that this does not give anyone else any ideas.

If we are going to be what we should be to make this country move forward, we need to all take stock of what happened today to make sure that we fully grasp our responsibilities, and hope that we can play our role in ensuring that the public understands their responsibility in the political process.

I am very saddened about what happened today, in fact it really took the wind out of my sails. I just hope that somewhere along the line the people of this country realise the serious implications of what else can happen, that all of us in the political fray band together to ensure that we do everything that we possibly can to make sure politics does not get to that level.

The Speaker: The Honourable Second Official Member responsible for Legal Administration.

Hon. Richard H. Coles: To serve in this House as an Elected Member is a privilege. To be appointed to sit in this House as an Official Member is a privilege. It is also a privilege that members of the public have been allowed virtually unrestricted access to this House at all times when it is opened. Today that privilege has been abused. As a result, that unrestricted access is likely to be curtailed.

Indeed, it is a very sad day for this House and for the Cayman Islands. The police have been informed of what has happened, and I am sure that they will conduct their own investigation. If some person or persons are apprehended for what has taken place today, then I can assure Members of this House that I will see that those persons are prosecuted, and prosecuted quickly.

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: Thank you, Madam Speaker.

Having gone to University in the United States, I have become very security conscious. I do not take anything for granted, even at home. We boasted of times when we could go to sleep with our windows open. Times have changed, and I think, as leaders in this

country, we have to recognise that. I do not leave my car unlocked.

I am one of those Members who has advocated over and over again that we need to tighten the security in this building. When we are in session here in the Legislative Assembly, we are talking about the total leadership of this country in one place at the same time.

I think what happened this morning is unfortunate. But, you know, it could have been much worse. That is what I am concerned about. Somebody could have come in here with a bomb or some other weapon and done much more harm than what was inflicted this morning.

I keep saying that I am a business person who has gone into politics. I believe that we should be in a position where we can oppose one another, even within our National Team, but be able to continue to be sociable and respect the views and opinions of other Members of the House and members of the public. That is a right that each and every one of us has.

I was talking to a personal friend of mine who happens to be a citizen of Jamaica. She remarked that what she liked about the Cayman Islands were the peaceful elections. Even at the by-election, while there were several candidates vying for that seat, it was such a peaceful election. In Jamaica, she stated that when they hold elections they are fearful what the outcome will be, as far as violence, if the right persons were not elected. As representatives, I think the message we need to get out to our people is that regardless of who sits in here as an Elected Member, we have the good concern of our citizens, regardless of who they are. We have opposition, people on the front bench and on the back bench, but we all fight for a common cause, that is, the best interests of our country and our people.

We cannot tolerate that differing views will allow us to go to the extent that we saw here this morning. That is a very cowardly act; not only cowardly, but a very inhumane act. The Honourable Minister, Mr. Bush, mentioned his experience... and I was at school the day that happened to him, Madam Speaker. I tell you, it was not a pretty sight at all! I would daresay that if you clocked him running home, he would have been as fast as Carl Lewis. It was an experience that I will never forget.

Hon. W. McKeever Bush: I could run then too, Madam Speaker!

Mr. John D. Jefferson, Jr: I will never forget that. This is not a nice thing. Whoever did it probably thought it was only a prank. But when people resort to those measures, it is not a prank, it is a criminal act. I believe that we have to do whatever we have to do in order to protect our Members and Representatives in this House.

I have said on more than one occasion that we are too tolerant. We have to recognise the position we hold in this country, and regardless of who holds it they are entitled to a certain amount of respect as long as they hold that office.

I support the Motion for the adjournment under these circumstances.

Thank you, Madam Speaker.

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: I would like to thank you for allowing Members of this House to express their views and their feelings to the people of this country on this sad occasion. In closing, I would like to remind all Members of this Legislative Assembly that acts of violence such as we have seen here today, have been the beginning of the downfall of many good countries around us. We must try to ensure that this does not happen again.

All Members mentioned the Honourable Truman Bodden and the lady Member, but we failed to mention another senior civil servant who was a victim to what took place in this building, a top civil servant who has dedicated most of his life to this country; I am speaking of Mr. Kirkland Nixon.

However, as bad as this is, can we imagine having our Head of State here for a meeting and having him, the Queen's representative, affected by something like this? This is how serious this whole thing is. I hope that this will bring all of us to our senses and that we will discontinue the bitterness and harshness towards each other in this House. I trust that we will never, ever have something like this happen in here again.

The late Miss Annie Huldah Bodden quoted, on more than one occasion, these words of scripture, and I would like to leave these words with my colleagues: "Let us search out and examine our ways, and turn back to God." True words found in Lamentations 3:40. Let us think of the great privilege that God has given us in these beautiful Cayman Islands, and let us endeavour to put aside personalities, hatefulness and violence as we have seen here today, and work what is right for this country and our people. Thank you.

The Speaker: Would the Honourable Minister indicate when the House might resume? One would assume that we would need at least the weekend to clean the premises.

Hon. John B. McLean: Yes, Madam Speaker. I move the adjournment until Monday morning at 10 o'clock.

ADJOURNMENT

The Speaker: The question is that the House do now adjourn until 10 o'clock Monday morning.

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

AYES.

The Speaker: The Ayes have it.

Before the House does adjourn, I would also like to express my very deep regret over such an occurrence in

the Parliament. I have always held the Parliament in high esteem, and I have felt that more and tighter security should be available to the Honourable Ministers, Members and other officials who serve this country. I think I am safe in saying that no expense should be spared in seeing that proper security is afforded to Members without delay. It is also my opinion that security should be provided in this building, not only when the House is sitting but on other occasions as well. There are various Committee meetings, and Members have to come in to take care of business. I think the security should be from Monday to Friday. I hope that I have the support of Members on this when I put forward some proposals.

I thank Members very much. The House is accordingly adjourned until Monday morning at 10 o'clock.

AT 1.27 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM MONDAY, 24TH JUNE, 1996, TO ENABLE THE MATTER TO BE DEALT WITH.

**EDITED
MONDAY
24TH JUNE, 1996
10.38 AM**

The Speaker: I will ask the Third Elected Member for Bodden Town to say prayers.

PRAYERS

Miss Heather D. 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 II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated.

Order. Proceedings are resumed.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker: On behalf of Members I would like to welcome a group of students and teachers from the Lighthouse School.

Proceeding with the business of the day, Questions to Honourable Members/Ministers. The first Question is No. 68, standing in the name of the First Elected Member for Bodden Town.

**QUESTIONS TO HONOURABLE
MEMBERS/MINISTERS**

QUESTION NO. 68

No. 68: Mr. Roy Bodden asked the Honourable Minister for Education and Planning what the amount of Government grants to private schools since January 1993 is, with a breakdown by date, school amount and category, that is, loan or grant.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, the answer: Grants to private schools can be broken down into two categories, annual grants and grants for special projects. Special projects are normally grants towards capital expenditure, such as new buildings or special equipment such as computers.

Name of School	Amount of Grant	Special Project	Year of Donation
St. Ignatius Prep	\$ 84,659.41	-	1993
	84,675.00	-	1994
	84,675.00	-	1995
	102,873.00	-	1996
St. Ignatius High		150,000.00	1994
		150,000.00	1995
	25,833.00	150,000.00	1996
Cayman Prep School	49,829.70	40,000.00	1993
	49,850.00	175,000.00	1994
	49,850.00		1995
	67,059.00		1996
Triple 'C' School	40,439.01		1993
	41,375.00	38,075.00	1994
	41,375.00		1995
	48,553.00		1996
Truth for Youth	30,044.80		1993
	30,050.00		1994
	30,050.00		1995
	32,772.00		1996
Wesleyan Academy	19,518.37	18,250.00	1993
	19,525.00	200,000.00	1994
	19,525.00		1995
	25,645.00		1996
Edmer Academy	18,474.66		1993
	18,475.00		1994
	18,475.00		1995
	21,734.00		1996
Faulkner Academy	17,296.00		1996
I.C.C.I.	35,000.00		1994
	35,000.00		1995
	35,000.00		1996

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Minister say how the amounts for these grants and special projects are arrived at?

The Speaker: The Honourable Minister for Education.

Hon. Truman M. Bodden: Madam Speaker, it is a formula that is based on the number of students and the number of teachers.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you. Would the Minister be able to say when this formula was adopted by the Government?

The Speaker: The Honourable Minister.

Hon. Truman M. Bodden: Madam Speaker, I understand the formula was adopted about 15 or 20 years ago. However, International College of the Cayman Islands was totally left out of the formula for the past eight years prior to this Government.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Could the Minister say if it is simply that the formula is taken for granted or in recent times has there been any review to see if there needs to be any revision?

The Speaker: The Honourable Minister.

Hon. Truman M. Bodden: Madam Speaker, the formula is now back before the Education Council. It has been there from about two meetings ago to be looked at. Now we think the time has come to review it.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Can the Honourable Minister if the amounts for special projects are arrived at by that same formula?

The Speaker: The Honourable Minister.

Hon. Truman M. Bodden: No, Madam Speaker.

The special projects are normally capital contributions, for example, when the Catholic, St. Ignatius School was building its high school, and also when the Prep School and Wesleyan Academy were dealing with projects, a specific capital sum was given.

The way that has normally been done is that, for example, the amount given to the Prep and the Catholic Schools which, say, totalled \$.5 million to one, and \$.75 million to the other over three years, would save the Cayman Islands Government \$1,500,000 per annum at Catholic School, and about \$1.1 million at Prep, for each and every year, because under the Law the Government has to educate all children whether they are Caymani-

ans or non-Caymanians. Regardless of who they are, if they are residents they have to be educated.

At present we have a savings of \$10 million per annum because the private schools teach 1/3 of the children who would have to be compulsorily educated in Government schools. So it is good money. Over ten years, for example, with the Prep and the Catholic Schools, there would be a savings in the area of \$15 million on the Recurrent Expenditure alone. Naturally, Government would have to erect buildings that would cost a lot of money if we had to replace the private schools.

I fully support the private schools. Hopefully, the Opposition Members in this House will see fit to do so one good day.

The Speaker: First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Can the Honourable Minister say in the case of grants... for example, I noticed that listed for St. Ignatius Prep School there has been a substantial increase from 1993 to 1996. Since the formula is based on a number of students has the increase to do solely with an increase in enrollment?

The Speaker: The Honourable Minister.

Hon. Truman M. Bodden: Madam Speaker, it is because they have more students or more teachers, I would think. Naturally, this question is extremely detailed and I would not have all the mathematical workings on each of the schools with me. So I assume that it is an increase in students or in staff.

The Speaker: The next question is No. 69, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 69

No. 69: Mr. Roy Bodden asked the Honourable Third Official Member for Finance and Development if the developers of the Westin Casuarina Hotel have settled their outstanding customs duties.

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, the answer: The Westin Casuarina Hotel project was granted a duty concession on building materials in October 1994. This concession allowed for importation at a concessionary duty rate of five per cent.

During 1995, the project developers imported furniture, fittings and equipment to complete the project believing that these items were also covered by the concession. Although the eligibility of the items was questioned by the Customs Department, the consignment was released at the five per cent duty rate pending the

Department's further investigation and obtaining legal advice.

According to the Collector of Customs, the matter is still unresolved, but the Customs Department is in negotiations with the legal representatives of the hotel developers to recover the duty. The estimated duty outstanding is approximately CI\$243,000.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Is the Honourable Member in a position to give the House an indication of how much time will be necessary to resolve this matter, since three months ago we were made to understand that the matter was under discussion?

The Speaker: The Honourable Third Official Member for Finance and Development

Hon. George A. McCarthy: Madam Speaker, I wrote to the Collector of Customs instructing him that the matter should be referred to the Legal Department by April the 1st. However, in discussions that he has had with the Legal Department it was recommended that the department should continue to pursue negotiations with the attorneys for the Westin Casuarina Hotel in order to seek to obtain a settlement. That is presently under way. I would hope that settlement will be forthcoming. However, I have recently asked the Collector of Customs if this is not done to ask the Legal Department to take it forward.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Honourable Third Official Member say whether it is a fact that the developers of the Radisson Resort, who are the same developers for the Westin Casuarina, were granted duty concessions when they were constructing the Radisson on both building materials and furniture and fixtures?

The Speaker: Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, the answer is yes.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Is this the reason why there is a problem, because the developers were assuming that the concession was the same for Westin Casuarina as it was for the Radisson Resort?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Yes, Madam Speaker. This is exactly the reason. But the application that was made asked for a duty concession to be on building materials not furniture and fixtures. Accordingly the application was so approved.

The Speaker: The next question is No. 70, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 70

No. 70: Mr. Roy Bodden asked the Honourable First Official Member responsible for Internal and External Affairs if it is Government's policy to allow non-Caymanian contracted officers time off from work on full pay to study for examinations.

The Speaker: Honourable First Official Member for Internal and External Affairs

Hon. James M. Ryan: Madam Speaker, the answer: Government has no policy on whether non-Caymanian contracted officers can have time off from work on full-pay to study for examinations. However, no non-Caymanian contracted officer has been granted time off from work on full-pay to study for examinations.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Member say if any non-Caymanian contracted officer has been allowed time off without pay to study for examinations?

The Speaker: The Honourable First Official Member for Internal and External Affairs.

Hon. James M. Ryan: Madam Speaker, I have no information on expatriates having time off without pay to study for examinations.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you. In the answer it says that "...no non-Caymanian contracted officer has been granted time off from work on full pay to study for examinations." Can the Honourable First Official Member say if there have been requests by non-Caymanians to be granted time off from work on full-pay to study?

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Thank you, Madam Speaker.

No, not to my knowledge. Perhaps I should clarify further my earlier answer on whether there have been expatriates granted no-pay leave to study for examinations. I understand that there is in fact an executive officer in the Internal Audit Section who was granted 20 days no-pay leave to study for his Chartered Accounting examinations.

The Speaker: The next question is No. 71, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 71

No. 71: Mr. D. Kurt Tibbetts asked the Honourable Third Official Member for Finance and Development whether Government has put in place a plan to replenish the General Reserves to equate to three months Recurrent Expenditure as recommended in the Public Accounts Committee's Report for the year ending 31st December, 1992.

The Speaker: The Honourable Minister for Finance and Development.

Hon. George A. McCarthy: Madam Speaker, the answer: The Government is mindful of a need to maintain General Reserves at an established level linked to Recurrent Expenditure, and plans to achieve this by way of legislative procedure.

A review of the Public Finance and Audit Law (1985) is underway and the appropriate General Reserves levels will be examined as part of this process with a view to establishing the necessary legislative framework to facilitate this plan.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker. In the answer the Honourable Third Official Member has said that "...the Government is mindful of a need to maintain General Reserves at an established level linked to Recurrent Expenditure..."., is this in any way linked to what the question asked regarding three months' recurrent expenditure?

The Speaker: The Honourable Third Official Member for Finance and Development.

Hon. George A. McCarthy: Yes it is connected with the three months' recurrent expenditure. But that amount can be varied and possibly reflect a higher sum based on the variables that would be considered at the time the whole process is looked at, as to what would constitute an appropriate level for the General Reserves to be fixed at.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Member elaborate on what those variables may be?

The Speaker: The Honourable Member for Finance and Development.

Hon. George A. McCarthy: Madam Speaker, when we say 1/4 of Recurrent Expenditure it takes into account the Government's expenditure requirements on an ongoing basis, and also what would give rise. For example, the Reserves make provisions for contingencies to deal with expenditures over a given period of time. We hope that the Government will never have to resort to using up the 1/4 provision whenever it is made. But, for example, if there is a recession and it is estimated that this could last for a period of three, four, five or six months, this would be based on projections (which often times the future becomes unpredictable), which would be essentially the variables that would be considered at that time.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Member say when the review of the Public Finance and Audit Law will commence, and can he say when it is anticipated that the review will be completed?

The Speaker: The Honourable Third Official Member for Finance and Development.

Hon. George A. McCarthy: Madam Speaker, the review has already commenced, as I mentioned on previous occasions in this House, under the chairmanship of the Deputy Financial Secretary who has drawn together quite a number of senior Heads of Departments and is also drawing on the resources of the Auditor General's Office.

A recent attempt was made to bring on board (as mentioned previously) a consultant to carry out a review of the Public Finance and Audit Law and also the Financial and Stores Regulations. A series of candidates were interviewed in the United Kingdom and the most suitable candidate found subsequently advised that due to illness within the family, he would not be able to take up the position. But we are presently looking to the Controller and the Audit Office in the United Kingdom to assist us with making available a candidate with the requisite expertise to carry out this job.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: The Honourable Third Official Member has made statements regarding percentages of Recurrent Revenue which may be an acceptable amount to put towards the General Reserves on an annual basis. During this ongoing review, is this still one of the formulas being considered or are there other routes that are being looked at?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, it will essentially start off on the premise that the General Reserve should equate to 1/4 of Recurrent Expenditure for any given financial year. Once that limit is achieved to be adjusted... but we cannot pre-empt the recommendations or suggestions that will be made by the advisor in the review to be carried out. This is just the benchmark and any suggestions that would improve upon that would be taken into account.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker. Perhaps I did not make myself very clear on the last supplementary. Understanding that 1/4 is the figure that is being thrown about, but which might change depending on the recommendations, it has been said before that a percentage of the annual Recurrent Revenue will be considered going into General Reserves in order to build it up. Is this still going to be the way that it is looked at, or are there other methods being thought of?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Thank you, Madam Speaker.

The most prudent and less demanding way would suggest that the reserves be built up over time. For example it was suggested that an initial contribution of 4% per annum would be a reasonable amount to contribute until the level so determined is achieved.

The Speaker: The next question is No 72, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 72

No. 72: Mr. D. Kurt Tibbetts asked the Honourable Third Official Member for Finance and Development in a written answer to a parliamentary question during the fourth Meeting of the 1995 Session, it was stated that the 1995 Annual Accounts were not finalised and audited. Has this been completed since then, and if so,

what was Government's financial position as at 31st December, 1995.

The Speaker: The Honourable Third Official responsible for Finance and Development.

Hon. George A. McCarthy: Madam Speaker, the answer: The audit of the 1995 Annual Accounts is currently being finalised. There is a sentence in this paragraph that I would like, with your permission, to have omitted. It reads: "The audited accounts will be laid in accordance with established procedures at the next meeting of the House." On second thought that is appropriate because this will be laid at the time when the Auditor General's and the Public Accounts Committee's Reports will be tabled.

The draft financial statements show that Recurrent Revenue was \$147.5 million, loan receipts were \$1.8 million, giving a total receipt of \$176.3 million for the year. Recurrent Expenditure was \$137.9 million, Statutory Expenditure was \$19.7 million, and Capital Expenditure was \$23.5 million. The Surplus brought forward from 1994 was \$2.5 million. But when we take into account the 1995 position as outlined earlier, there is a resultant 1995 deficit of approximate \$2.4 million, excluding the General Reserves balance of \$4.4 million.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Member say if the time for the Audited Accounts to be produced is regular or has it taken longer than usual?

The Speaker: The Honourable Third Official Member for Finance and Development.

Hon. George A. McCarthy: It is on time. I think in the Law it is required to be submitted to you, Madam Speaker, in July.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Will it be submitted by the month of July?

The Speaker: The Honourable Third Official Member for Finance and Development.

Hon. George A. McCarthy: Madam Speaker, unless I hear contrary I believe that it will be. I have not sought to obtain confirmation from the Auditor General that it will.

The Speaker: The next question is No. 73, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 73

No. 73: Mr. D. Kurt Tibbetts asked the Honourable Minister for Education and Planning if Cayman Airways is presently experiencing operational losses.

The Speaker: The Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, the answer: I am not sure if the Honourable Member is familiar with the accounting terminology used in the airline business, but to focus on airline operating profit is to ignore the finance charges and other below the line charges which, in this business, can turn any operating profit into a significant loss.

In the case of airlines, it is more appropriate to focus on the "net profit", as this figure takes into account all expenses, not just operating expenses. It accurately reflects the substantial airline expenses which occur below the line, e.g., Loan and finance charges, and it also reflects the Government subsidy.

But to answer the question as it is asked, Cayman Airways has an operating profit of US\$1,061,762 after subsidy for the three months ending March 31, 1996. Taking all of the figures into account, Cayman Airways is showing a cumulative net profit for the three months ending March 31, 1996. The airline's net profit is just under US\$1 million. Compare this to the airline's performance under the former Government who lost US\$34.6 million in just two and half years. In 1991 alone, the airline reported a net loss of over US\$14 million.

The balance sheet is a snap shot of the financial condition of any company at a specific point in time. Cayman Airways' current balance sheet also reveals a much improved financial condition. Total liabilities in 1991 was \$34,329,506. At the end of 1995 total debt was less than half that at US\$14,175,532.

All of these significant improvements in the financial position have been achieved while simultaneously paying off debt inherited from the last Government. Cayman Airways has in the past two years paid off over US\$1 million of debt inherited from the former Government and management.

Cayman Airways Limited has disciplined itself to manage its cash flow and has operated within its approved overdraft limit. Again compare this with the previous Government's and previous management's performance: there were times when Cayman Airways Limited could not pay its aircraft's monthly lease costs, for which back-payments totalled over US\$1.5 million in 1992, but worse, there were occasions during that time

when the airline could not even pay its staff. There were no staff salary raises in three years, some staff took a salary reduction.

Since I took over responsibility for Cayman Airways Limited, the airline has never had to come to Government or to Finance Committee for rescue from a financial crisis, thank God. As a result of the stupid and costly mistakes made by CAL and the previous Government with ILFC and GPA (which included almost US\$108,000,000 in contingent liabilities), in 1992 the airline had a bad reputation with International Leasing and financing institutions.

In 1990 and 1991 local banks would not lend to CAL nor lend to Government for CAL, because of CAL's bad credit record and also Government's bad credit record (Government had cumulative losses of approximately US\$42.8 million in 1990, and 1992).

I am happy to say that the problems left by the former Government seem to be safely behind Cayman Airways and its reputation has been restored; so much so that the airline has been able to secure leasing and financing arrangements on very favourable terms.

The aircraft purchased by Cayman Aviation Leasing Limited, the wholly Government-owned company one year ago for US\$5.2 million now has a market value of almost US\$7 million. The Government now has over US\$700,000 equity in its own aircraft, CAL has reduced the aircraft loan by a similar amount, has accumulated nearly US\$680,000 in reserves for engine overhauls and has cash on hand of over US\$560,000. Furthermore, Cayman Airways has paid over US\$1,978,000 in outstanding fees to the Customs and Immigration Departments and to the Civil Aviation Authority. Under the former Government there were some years when CAL did not make any payments to the Civil Aviation Authority or other Government Departments.

Finally, Cayman Airways provides good quality employment for approximately 250 Caymanians in these islands. Therefore, the airline's performance, impressive in its own right, is particularly remarkable in light of all other achievements accomplished in the last four years.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker. With all of this good news, it amazes me that the Government did not have this question asked before now.

Regarding operational losses, can the Minister state if there are any routes at present which are experiencing any losses?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, I do not have a breakdown of that, but naturally the main loss is on the Grand Cayman/Cayman Brac/Grand Cayman route, because Cayman Airways carries tourists totally free of charge between Grand Cayman and Cayman Brac and Grand Cayman.

As the Honourable Member can see, a profit of \$1,610,000 in three months is very impressive and we will get leaner months as time goes on. This is an impressive amount. There are losses on that route and I think perhaps another one or two of the other routes. I do not know for sure.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker.

In response to this supplementary question, the Honourable Minister stated that Government had cumulative losses of approximately \$42.8 million in 1991 and 1992. Can the Honourable Minister state if this was in general or was it for Cayman Airways Limited?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, that \$42.8 million was Government's losses and was in addition (and that was CI dollars, I noticed US dollars was put in the answer) to the US\$34.6 million losses of Cayman Airways Limited. So it was a total of \$65 million in losses in the three years between Cayman Airways Limited and the Government.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Honourable Minister say if the accounting system of the airline has in place the means of telling whether there are losses within its various routes? Is there any specific ability to find this out? The Minister said that the inter island route perhaps was, and he imagined that there were others.

The Speaker: The Honourable Minister for Education.

Hon. Truman M. Bodden: Madam Speaker, it is a matter of estimating and dividing the direct costs which are very easy to find out. The indirect costs have to be a division of matters such as the cost of leases, the cost of the extremely expensive building in Miami which the last Government stuck us with a 12-year lease on. The overhead such as that, Madam Speaker. There is a way of finding this out.

I merely pointed to the Grand Cayman/Cayman Brac route because that is our largest area of loss mainly because we carry passengers to and from free of

charge. The National Team Government does this happily to assist Cayman Brac and Little Cayman with their tourism, so that a tourist can come to Grand Cayman for the same cost as he can to Cayman Brac or to Little Cayman if he travels on Cayman Airways.

The Speaker: The next question is No. 74, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 74

No. 74: Mr. Gilbert A. McLean asked the Honourable Minister responsible for Tourism, Aviation and Commerce if approval has been given for another hotel on the Seven Mile Beach peninsula.

The Speaker: I observe that the Honourable Minister for Tourism, Aviation and Commerce is not present.

The Second Member for Cayman Brac and Little Cayman.

DEFERMENT OF QUESTIONS NOS. 74 & 75

Mr. Gilbert A. McLean: Madam Speaker, I now observe that the Minister is not present. If you will, can questions Nos. 74 and 75 (which is also directed to that Minister) be set for another time during this meeting?

The Speaker: Yes that can be done. Questions No. 74 and 75 will be set down for another sitting when the Honourable Minister is present.

The next question is No. 76, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 76

No. 76: Mr. Gilbert A. McLean asked the Honourable Third Official Member for Finance and Development whether Government has borrowed any money from Barclays Bank for the land at Spotts for the National Stadium and, if so, how much.

The Speaker: I understand that this question will be answered by the Honourable Minister for Community Development, Sports, Women's and Youth Affairs, and Culture.

Hon. W. McKeever Bush: Madam Speaker, the answer: There is no land at Spotts for a national stadium. To my knowledge, there could not be any funds borrowed for such.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Madam Speaker, the land in reference is the land which everyone knows has been purchased by the Government over a time-payment plan, on which we understand various types of buildings are to be erected, and which the Auditor General found that a large part of that property was under water. The question is trying to ascertain whether Barclays Bank has any interest in that particular property?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, everyone knows the Member is correct that everyone knows about the land in Spotts. It seems that it is only he that does not know that there is not a national stadium to be erected there; yet, questions are constantly put about this national stadium. We have said in statements, and in answers to the Member, and have stated in the newspaper that there are no plans by the Government to erect a national stadium. I do not know why the Member keeps referring to one.

Everyone knows about the land. As for a large part of it being under water when Government purchased it, we knew that there was a lake there and we intend to use it, which would enhance the development for family and recreation.

Madam Speaker, everyone also knows, including that Member who keeps imputing otherwise, that there is no loan to the Government from any bank for any land. Government purchased this land over a five year period at a good deal which, he should also have said that the Auditor General mentioned.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Honourable Minister say if it is not a fact that one of the proprietors or owners of that property no longer has an interest in the land, but indeed Barclays Bank now has that interest, therefore Government would be in an agreement with Barclays Bank?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, when Government bought the land, as I understand (if he wants an answer for that he should ask the Lands and Survey Department), we did not make the agreement to purchase the land from any bank. We made the agreement with private individuals (when I say "we", I mean the Lands and Survey Department).

Now, this Member seems to have much more information than I have, perhaps he can tell me a bit more

about the land. I certainly do not know... and if the Auditor General knew, he certainly did not put it in his report. What the Auditor General did say, was that the Government made a good deal.

The Speaker: That concludes Question Time for this morning.

Government Business. Bills, Second Readings. The debate continues on the Loan (Capital Projects) Bill, 1996, and the Loan (Capital Projects) 1993 (Amendment) Bill, 1996.

The Honourable Minister for Education and Planning continuing.

GOVERNMENT BUSINESS

BILLS

SECOND READING

LOAN (CAPITAL PROJECTS) BILL, 1996

-together with-

LOAN (CAPITAL PROJECTS) 1993 (AMENDMENT) BILL, 1996

(Continuation of debate thereon)

Hon. Truman M. Bodden: Madam Speaker, the two Loan Bills that we are debating cover a wide variety of projects. The projects that affect me directly are those relating to schools and roads, parks and sports areas in George Town. It is well accepted that the money spent on Government and private schools is money that is well spent; it is an investment in the youth of this country who will be the leaders of tomorrow and in whose hands the destiny of this country will be placed. Nothing can be a better investment than to ensure that our children are well educated.

There was a time, some years ago when I was sort of, I would not say attacked orally, but some of the Members got at me because I hold several degrees -and I do not mind saying that I am well educated - which I have worked very hard to get. My aim is to see that every child in the Cayman Islands gets a good education whether they be in the Government school system or in the private school system.

If we fail to spend what is necessary on these schools to get the system, which is so important to the development of our young people (and I am very happy to see that earlier today we had students from the schools in this honourable Gallery)... we must do everything possible to see that our children get a chance to excel to their fullest.

The rare criticism of the Strategic Planning system that we hear only in this Honourable House is criticism

of 353 people, about half of them professional teachers in practice (not defunct teachers) who have put together a 5-Year Strategic Education Plan which they feel (and the public after input feels) is what is needed to develop and to promote education in the Cayman Islands.

The Executive Council, the National Team Government and I, fully accepted the recommendations of the 353 persons who developed the 5-Year Education Strategic Plan over a period of one year. That is not my plan, it is not my Government's plan, it is a plan that has originated from the people of this country. When it is done in that way it stands the best chance of being right. Therefore, in justifying the expenditure in this Honourable House under these Loan Bills today, I am very pleased to say that I am endorsing and putting full faith in the teaching profession and the many persons in the private sector who have spent many long hours going over and preparing the strategies and working on the action plans that will be putting into effect the system of education in this country for which these buildings are needed.

There can be no doubt that the education system in this country is far better than it was a few years ago. There can be no doubt that there is more equipment - computers, books; there are more buildings, more teachers. We saw that in the George Hicks High School alone, over 120 classes have less than 20 students in them. That is a considerable achievement, even though I know that the Opposition Members (which I now include the Fourth Elected Member for George Town) have tried to single-out four of the classes for Physical Education that had in more than that number.

The schools have to be looked at as a whole. There are some problems, and I am endeavouring to deal with as many of the problems as I can. I would like for it to be remembered that there was a period (and I will not go into it to say when) when we had to be very careful not to put any further pressure on the Chief Education Officer, Mrs. Mary Miller, when she was ill. I hold the highest respect for her. There was a gap of about five or six months when things slowed down somewhat within the department.

Once we can get the additional staff (and I should point out staff is not under me, it is up to the Permanent Secretary and the Public Service Commissions) into the senior positions in the Education Department, it will lighten the load considerably and we will be able to bring some of these things that have gotten behind up to date.

I make it a point of discussing as far as I can all major developments with the staff of the schools. I go there once a quarter and sit down with all staff members, even though during my recent visit the week before last to the John Gray High School I was only able to meet with the senior staff members because there was a funeral on that day for a student who was attending college and I felt that I should attend it.

When I visit the other schools, I always sit with all staff members to find out what problems they are having and what areas of development they feel... and coming

to the Capital Projects in this Bill, it is very important for the continuity of the school system and the development of it that the appropriate approval be given for the four classrooms at the George Town Primary; four classrooms at the Savannah Primary School, that either the upper limit of loan funds is approved for the Baptist Church purchase and the Cayman Foods purchase. I am going to deal with these in a bit more depth because there have been further comments on these prior to my speaking both in the House and in the press. It is important that what remains to be done at those schools and the three buildings that are needed at the George Hicks School, that we get the go ahead on this project.

I would like to go on from here to deal with some of the criticisms that have been levelled at parts of this Loan Bill and to show that it is either a misunderstanding of the process of what happens with Loan Bills or it is intentional misrepresentation on the part of certain parties outside of this Honourable House why we have had so much comment on this.

I must say that in my full political career I have never had such an intense and desperate, and in some cases vicious, attacks on me by all members of Team Cayman (I think there are about 10 or 11 of them at this stage) and the three Democratic Alliance members and their many supporters who seem to create more problems than help to the system.

I want to make very clear (and hope that it is well understood at the end of this) the process of a Loan Bill. The letters in the newspaper today show that once again there is confusion as to when a project is entered into contract for land to be purchased or buildings to be erected and the process under the Loan Bill. Members of this House know that until these two Loan Bills are passed in this Honourable House and the Governor assents to them (which will probably not be for another three to four weeks), and until the Honourable Financial Secretary raises the loans for the purchase and the construction of roads and other buildings listed in the Loan Bills, there can be no contractual purchases. There can be no contract to agree to purchase this property. Indeed, I repeat again: There is no agreement for the purchase of the First Baptist Church building, there is no agreement for the Cayman Foods Building because it is legally impossible for that to happen. The authority for it rests in the Loan Bill. If for any reason the Bill fails, then there can be no expenditure either for roads, the parks, or any of the other projects listed in the Bill.

I need this to be made abundantly clear, because I am very surprised that the Democratic Alliance in this paid advertisement in the newspaper of 13th December, 1996 (they seem to have more money than they have sense when we see the amount of advertisement in the newspaper and on television), has deliberately twisted... and I expect better of fellow attorneys, like Mr. David Ritch, who at least at one stage was the Chairman of the Democratic Alliance Committee... Surely they must know. If not, it is the duty of the Fourth Elected Member for George Town - who seems to find this very funny -

and the other two Members, Mr. Linford Pierson... perhaps Mr. Adrian Briggs does not know the process of a Loans Bill, but the other members of that Committee are people who should know the procedures of this House. There has been an attempt to set out in the advertisement under "Facts and Questions"... but the questions have been very shrewdly put in the form of facts. They have stated in this advertisement in paragraph 5: "**How can the Honourable Truman Bodden justify a waste of Government's funds?**" They have said: "**The Government will end up paying \$580,000 over the original price...**". They asked another question: "**From whom does Government intend to purchase, and when was the Transfer of Land form in respect of it executed, and when will it be registered?**" There has been no execution of any transfer form. There can be no registration of it because this House has not approved the funds for any of these projects.

Quite frankly, I intend to issue letters to them because they are responsible people in this society and they should correct these mistakes (for which I give them the benefit of the doubt). But I do not believe that these are mistakes; they are just a continuation of the harassment that I have had over the past five or six weeks. It seems that everyone who is running against the National Team has just levelled in on me and there has been a steady, premeditated attack in all areas. If they are going to state the facts, I can deal with that. If what is being done is a mistake, I can only ask the people of this country to look at the truth and disregard the lies and the misrepresentation that has been put out.

I would like to deal with another area of that because it is a legal matter. Surely their Chairman, who is a lawyer, should know better. Questions were asked about this regarding why the transfer from the earlier mentioned property was not taken. I am not the lawyer for the owners (Mrs. Murphy and Mr. Thompson), but there is nothing against the law in having a contract where you purchase property over a period of time. It is done every day. One can enter into an Agreement for Sale with the original owners - as apparently was done several years ago on the Cayman Food s building - and one need not take a transfer on it until later on.

The Law on this is very clear. It is the Stamp Duty Law (1995 Revision), and in the second Schedule under "Assignment" says this: "**Assignment (a) of any rights under an agreement or memorandum of agreement for or in relation to the purchase of or an interest in, any land or strata title or other immovable property - for the first two assignments:** [This is very important because you can assign property twice under the Law, and this was only one assignment, apparently.] ...**7 1/2 per cent of the value of the consideration or for the premium for the assignment howsoever paid.**"

You pay on the assignment, when you register the transfer, the premium over and above the cost of the land. So if the land was being sold for, say, \$50,000, and you took an assignment for \$10,000, you pay the 7.5%

on the \$10,000. Naturally, at the end of the day when you take the transfer you would pay the stamp duty on the full amount.

So there is nothing wrong with a contract for sale of land, as was done in this case on the 14th of October, 1992, to purchase the property over a period of years from the Thompson family. The transfer does not have to be put through as they are trying to impute here. Once again, this is just a case of facts are being warped. That is the truth. I challenge anybody to dispute what I have said in relation to Loans Bills, conditional contracts and stamp duty.

If and when these Loan Bills go through, the position then is that there will be the approval for all these projects, including the Cayman Food s and the First Baptist Church buildings, up to a maximum of the amounts set out in the Loan Bills. What will then happen is that the Lands and Survey Department will enter into negotiation with the vendors of these properties (not me, not my Ministry). They will go through valuations that the vendors have prepared and also valuations that they have prepared and at the end of the day they will negotiate and execute a contract on behalf of the Government. So this is a long way away from the fixing of a price.

After that is done, then the Honourable Financial Secretary, once he has raised the money, will release the money to the Lands and Survey Department who will pay under the contract. It is totally untrue to tell the public at this stage that because an upper limit of \$1.4 and \$1.1 million... in fact all the other amounts there, approximately \$800,000 for contracts - for example, the George Hicks High and the George Town Primary School s (the George Hicks is more, perhaps \$1.2), those contracts might well come in over or under those amounts. But it is not for me to say what those amounts will be. Whatever the fair market value of the property will be paid. And it will follow its normal course.

What I would like to do is show two transactions referred to in the comment on this that did not follow that procedure in the past. This must be where the misunderstanding has come in, because in the past proper procedures were not followed and they are presuming that this Government does not follow the proper procedures. While I am on that (I know this will be dealt with by the Third Elected Member for George Town), I have been shown a letter in which the Lands and Survey Department is asking for stamp duty to be paid on the Cayman Food s building because they valued the property at \$1,268,500. I do not know how they will deal with the confusion on it... and this is CI dollars. The other valuation which was given to me when I was in here was CI\$900,000. It looks to me as if this valuation has come from a different Lands Officer than the one who did the previous valuation for \$900,000. But I can tell you that, by law, the valuation to purchase the property by Government is on the same basis as the valuation for stamp duty - it is the market value of the property at the time.

I am sure that there will be private valuations that are more or perhaps less than these amounts, but at the end of the day it is not my duty to decide how much is paid for the property or properties. Now it is not my duty to decide how much money is given out on a contract for the building of the George Town Primary School or the George Hicks High School. That is dealt with through a different mechanism of which I am not a part. I hope I make this clear to one and all at this point.

If we look at the two transactions over which this debate arose, the procedure had been set out by the Auditor General. We find in the Auditor General's Report of 31st December, 1992 (page 22), in relation to the SafeHaven project where the procedure is dealt with. At the top of the page it says: **"The minimum current rental value calculated was US\$277,000 per annum and was based on 277 acres with a capital value of US\$10,000 per acre and a required rental rate of return of 10% per annum. This would have generated a total income stream of US\$27.4 million over the life of the 99 year lease before applying the recommended 10 yearly rent reviews. However the Lands Officer subsequently confirmed to my Office that this valuation failed to mention that the present value of SafeHaven's remaining leasehold interest would have to be offset against any new lease rental."** In other words, 40 years had run on it so about 4/10 would be reduced which would be about \$15 million.

It goes on to say: "No formal valuation of this was ever carried out, but the Lands Officer has advised that this would have been an extremely complex and highly subjective exercise without access to all of SafeHaven's records. In my opinion, the October 1990 valuation was incomplete. The above valuation process relates to a surrender and renewal situation. The Lands Officer told me that SafeHaven was never prepared to consider this option as they were of the belief (probably rightly) that it would weaken their negotiating position. A further valuation for the SafeHaven lease was prepared in January 1991 which calculated the landlord's inducement in a range between CI\$450,000 and CI\$976,568. This report was prepared on the same day as negotiations opened..."

The next relevant part goes on to say: **"Negotiations were concluded within two hours [and I will read later that this negotiation was done directly by the then Minister for Communications and Works and Lands, Mr. Linford Pierson] and a premium of US\$940,800 was agreed to be recommended to both sets of principals by the representatives."** So instead of the \$27.4 million being reduced back to the \$15 million that should have been paid, which the Lands Officer recommended, \$940,800 was negotiated.

The report goes on to say: "The premium proposed was quickly agreed by SafeHaven Limited and was submitted to Executive Council for ratification." I would like us to look at the words "was quickly agreed by Safe-

Haven Limited and was submitted to Executive Council for ratification..." not even approval. "Executive Council rejected the proposal and directed that the premium should be US\$2 million. SafeHaven submitted a counter offer of US\$1 million on execution and the balance by ten annual installments of US\$100,000 on the basis that no further stamp duty would be payable in relation to the lease extension. Executive Council accepted the deferred consideration proposal but directed that Stamp Duty should not be waived..."

If the Democratic Alliance, and Mr. Pierson wish to tell the country (as they put the question to me last week in the newspaper) why, when there was a recommendation of \$27.4 million to increase the life of the lease, did he personally have a two hour negotiation (which SafeHaven quickly accepted) and recommend \$980,000? Where did the \$14 million go? But at least Executive Council had in it some good people, like Mr. Norman Bodden, who must have seen the light and at least said that it could not go through. That sum was increased to \$2 million. But even at \$2 million it is still \$13 million based on the prorated amount under what was recommended.

SPEAKER'S RULING

The Speaker: Honourable Minister, I hope you have now concluded your comments on the matter of the purchase of buildings, because Standing Orders really require a Member while doing a second reading debate to speak on the general merits and principles of the Bill.

Perhaps you would go on to that area, please. Thank you.

Hon. Truman M. Bodden: I am finished in that area.

The principle that I am dealing with here is very important because it deals with the valuation and the procedures that are laid down for the valuation of buildings (of which this Loan Bill has several). I will not attempt to go into the principles relating to the contracts that relate to the Tenders Committee. It has been an issue here as to the valuation of buildings.

The Speaker: Honourable Minister, I appreciate that, but I think that when it comes to debating Bills, the matter that you are dealing with arises from publications by members of the public to which you are replying. This would be better replied to in a statement by you at a convenient time.

Please proceed with the other portions of the Bills. Thank you.

Hon. Truman M. Bodden: Madam Speaker, I am finished on the SafeHaven matter at this stage.

It is also very clear that we have seen in this Honourable House some objections, speaking and voting against items such as this when they relate to private schools. The position that I have is very clear, and I sup-

port the amounts in these Bills that relate to private schools. It is right, in principle, where we have \$10 million per annum of Recurrent Expenditure that the private schools are carrying for the Government under the Compulsory Education system, that we should assist them with these small amounts.

I would like to now turn to deal reasonably briefly with a matter which unfortunately I was not able to speak on at the time it arose earlier on Thursday. The attempts to justify acts which have been carried out by members outside of this House, attempts that we have seen recently on the steps of this Legislative Assembly building where, specifically, one of the Wight twins has basically...

The Speaker: Excuse me Honourable Minister, I am afraid this has nothing to do with the Loan (Capital Projects) Bill which is before the House at this time.

If you can show me how this could be admitted into this debate I will be most grateful. But I certainly do not see the connection.

Hon. Truman M. Bodden: Madam Speaker, all I can say is that it is very unfortunate that on Thursday, and the subsequent days when I suffered, I lost the right to speak on something in this Honourable House. Now all I can say is that the attempts to justify those attacks on me by people on the outside, like Mr. Linford Pierson, is sick. I will shut up and sit down.

The Speaker: The Honourable Minister will have another opportunity. I have already said that you could make a statement and in that statement you can say whatever you want. But this is really most inappropriate to be brought into the debate on the Second Reading of two Loan Bills. I think the correct Parliamentary procedure of the House must be adhered to.

Would you continue the debate on the Bills?

Hon. Truman M. Bodden: Madam Speaker, all I will say is that it was very relevant to me on Thursday when I was trying to debate these Bills because it stopped me. I have nothing more to say, Madam Speaker. I have been disoriented from it. If it is the view of the House that I say nothing, I will say nothing. I will take and just go on taking, but at some stage it must stop.

The Speaker: I think everybody appreciates how the Minister feels, and felt on that particular day. But as Speaker of the House I must really keep to the procedure. As I said, if you wish to make a statement, that can be put down at the appropriate time. I appreciate that at the time of the incident you were not in a position to do so.

Have you concluded your debate on the Bills?

Hon. Truman M. Bodden: Yes, Madam Speaker, I am finished. Totally finished!

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.37 AM

PROCEEDINGS RESUMED AT 12.10 PM

The Speaker: Please be seated.

Debate continues on the Loan (Capital Projects) Bill, 1996 and the Loan (Capital Projects) 1993 (Amendment) Bill, 1996.

The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

In my contribution to the debate on these Bills, I wish to begin by saying that I am somewhat surprised, though not totally dismayed, by the National Team Government coming here requesting the authorisation for this money, because it shows that what some of us have been claiming is accurate. What we had was not a true representation of the Budget and there were, whether deliberate or otherwise, figures fudged, amounts left out, in order to present a document which could be described as balanced. I am even more surprised in that the National Team had within its ranks two Financial Secretaries, two Bank Directors and a Bank Manager.

One cannot sensibly debate these Bills without drawing some comparison to the state of affairs which existed previously. I would like to highlight the fact that with the forecasted figures for 1995 and 1996, the National Team Government would have had a revenue of \$673,000,000, compared to what existed previously when the previous Government had a revenue of \$458,000,000 and an expenditure of \$484,000,000. But, what I find interesting is that both Governments spent approximately 14.25 per cent of the revenue on capital expenditure. Given that comparison, I would have to say that any edge in the best management would certainly have to go with the Government of 1988 to 1992.

Yes, I would like the National Team Government to show me what they have bought - single entry or double entry. I would like them to show me how their management of the money has placed us in a better position than we were; or how we are in a more improved position now. Where are the roads? Where is the hospital? Where are the school buildings? Are we not still labouring under the same old pains?

(Inaudible interjection)

Mr. Roy Bodden: Getting them - but at what expense? Look at how the contingent liabilities have ballooned. Where are the reserves that we were supposed to have? Where are the savings?

The National Team knows as well as I do that the proof of the pudding is in the tasting, and their pudding has no taste - it is burnt! What happened here a while ago has shown me that the National Team has a light-

weight approach to Government and financial management; a lightweight approach lacking guts, lacking direction and lacking proper fiscal responsibility.

I wish to point out that the situation as I see it, should have been handled differently and there is no escaping that some of these purchases leave much to be desired, because this is the only country in the civilised world where purchases like this would be made and no questions come upon the Members.

Madam Speaker, can you understand that in the great United States of America, or Britain, from whom we take our parliamentary cue, Government buying property from a sitting Member of Parliament... and it goes just like that! I do not care what excuses are being made. I say it is not right. It is not proper and I do not want to go into what happened in the previous Government because that is no justification for what is happening now. I say these purchases do not represent the best value for the money spent, and I would like an explanation as to why the National Team Government wishes to depart from the valuations that were given. What explanation can be given?

I cannot understand the situation because I heard the Minister of Education in his contribution in Finance Committee say that the Cayman Foods building was going to be bought. Now I understand he is trying to back out of the deal and say that no such commitment was given. Well, where are we, Madam Speaker? Are we buying, or are we not buying? Did we give a commitment, or are we not giving a commitment? Are we reneging?

A true leader would have stood up, assumed the responsibility and would have said, "I, on the advice of my Ministry, took the responsibility to purchase that property. If it is wrong, I will have to apologise at some time, but I am going through with the purchase for these reasons." Do you know why that is not done, Madam Speaker? It is because no one on the National Team could stand up here and say that these purchases represent the best value for the money spent. That is why they have to duck and dodge and shy away and resort to fenky-fenky excuses.

I marvel at their record of financial management. It is no wonder that we have been here twice in the last little while approving loans so shortly after voting and approving the largest Budget in the history of this country.

I want to go on record as saying that nobody is against private education or the Government helping the private schools. I say, and I wish to make this point abundantly clear, explicitly clear, and I will continue to say, that charity begins at home and that public funds must be spent first and foremost on public schools. Since the public schools cater to 68 per cent of the children in the school system, there is no reason why they should be neglected and private schools be supplied to their detriment.

If one takes the figures that were given in an answer here to a question which I asked earlier this morn-

ing, it is interesting... and I have only cursorily dealt with this matter. But if you add up the individual amounts for these schools, one is hard pressed to come up with this amount being spent on each Government primary school for these comparative periods. So I say that there is something radically wrong with the system. Certainly, to come now and claim that the Cayman Foods building has to be bought because it is less expensive to buy than to build a purpose-built facility in the absence of any proof is ludicrous. I do not know, but it seems to me that that could either be the excuse of a fool or a scoundrel. I do not know which it is.

Why are we placed in this position? Do you know why we are placed in this position? Because the National Team mismanaged the financial resources of this country. They had no plan.

I want to revert to dwell some more on this purchase of the Cayman Foods building because if the Leader of the National Team, the Minister of Education, had any insight, any common-sense to go along with the degrees he so likes to boast that he has, he would have purchased the Cayman Foods building from the time he came in office and the Red Bay School was opened. A blind man on a galloping horse should have seen that that was a necessary acquisition. Had he bought it then, he would have been in a stronger position to bargain to get the best value for the Caymanian taxpayers' money that he wants to now give away.

I want to say something else about leadership. It is a pity that the people with all the degrees did not take some course in public administration and the administering of public affairs. It is my understanding that the suggestion was made to this Honourable Minister by a mutual acquaintance of many of the Members inside here that this property should have been acquired years ago. Do you know what I suspect? They do not need the Opposition - there are only two, and at the best of times three of us - so they can ramrod and railroad anything through us. So they figured that that was going to be one of these times too. They did not figure that the tide of public opinion was turning. They did not figure that they were going to be questioned in this way.

(inaudible interjections)

Mr. Roy Boddén: Well, we certainly have no one out there demonstrating and picketing against us.

Madam Speaker, I have some figures which I would like to peruse for a little while in an attempt to show that what has happened with the financial management under the National Team of this country has led us into trouble.

The revenue from 1993 to 1996 for the National Team - \$658,927,924, as against an expenditure of \$672,919,136, the 1988 to 1992 Government, the revenue was \$458,400,000 as against an expenditure of \$484,500,000. The Capital Expenditure for the 1988 to 1992 government was \$64,400,000. Capital Expenditure for the National Team Government - \$94,159,461. But, I

want to point out a significant difference. The 1988 to 1992 Government did not pillage the statutory authorities like the National Team Government did. The National Team Government took from the Port Authority \$1,590,979; from the Civil Aviation Authority, \$6 million plus; from the Water Authority \$950,000 and left them with loan guarantees instead.

I am saying, and I will continue to say, that I have to give the 1988 to 1992 Government more credit in the financial management, comparatively speaking, than the National Team Government, because, I say again, we are not substantially better off at this point in terms of new capital projects than we were.

I do not know if the Bills are going to pass. That is not for me to say. The National Team Government has the people who vote 'Aye' without much analysis and perusal for themselves. But what I have to say that should be clear to the country is that if we take these requests into consideration with and among all the other things, the National Team Government is not all it is cracked up to be. Over and beyond it, there is a problem of the ethical aspects of the whole exercise; something does not seem well with the process. I am not accusing anyone of anything. I am merely stating the facts as they are obvious.

It will remain to be seen. I do not need to make any more points than I have made. I will now leave it up to the others, including the speakers of the National Team, to justify their position.

Thank you.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker.

I rise to contribute to the debate on the Bill for a Law for Capital Projects for 1996. These projects came before Finance Committee on the 13th of May of this year. Unfortunately, I was not here because I was off the island with a sick member of the family and was unable to participate.

The question has been asked about capital projects, "What capital projects has the National Team contributed to?" We were broke when the National Team took over office from the previous Government. We could not afford them. It is only this year, and that is why we are here now with these Bills seeking to have capital projects, because we are paying for the previous Government.

When Finance Committee met to discuss these applications and projects only one individual said "No" and voted against them. That was Second Elected Member for Cayman Brac and Little Cayman. I did not read in the Minutes that the First Elected Member for Bodden Town voted "No." The only vote of "No" recorded was by that one individual Member. Yes, Madam Speaker, the only one recorded in the Minutes was the

Second Elected Member for Cayman Brac and Little Cayman.

In the Loans Bill we have construction of roads \$4,050,000. As a representative for George Town... and we are constantly being accused of not doing anything for the district... I would now like to state the roads that we have slated, where over \$3 million will be spent in George Town.

Now we know that the staff of the Public Works Department are hard working individuals and they can only do so much at any time. Of course this will go out to private enterprise. I would like to share with the House what will be done. Here is a priority list of roads for 1996 for the George Town district to be hot mixed as follows:

- 1) Harbour Drive from Goring Avenue to Mary Street;
- 2) Crewe Road, from Crighton Building to Lion Centre;
- 3) South Church Street, from Goring Avenue to Melmac Avenue;
- 4) Nixon Road, from North Sound Way to Eastern Avenue;
- 6) Crewe Road, from North Sound Way to the Airport;
- 7) Walkers Road, from Boilers Road to Hospital Road, including Ash Road;
- 8) Eastern Avenue, from West Bay to Shedden Road;
- 9) Smith Road, from Templeton Pines to west of Bob Thompson Way; and
- 10) Smith Road, again, all of which will be completed.

In addition to the hot mix on those roads, we have development of several other roads that will be completed. I will find that list. The only way that roads can be completed in these islands is through a loan; \$238,000 is allocated for George Town, but there is no way all the roads that are required can be completed or even repaired. That is what we inherited from the previous Government.

I have heard former politicians saying in the media that the roads need to be repaired. Why did they not fix them when they had four years in office? They did not have any funds; there were no programmes in place to repair these roads, programmes like the ones the previous (the Unity Team) Government had to do so many miles of road. That went down the drain when the previous Government took over in 1988.

Continuing with the roads in George Town. We have road reconstruction of Prospect Park in three different areas. Templeton Pine Lake - three areas. There is road reconstruction to be done to Bernard Drive; road reconstruction for Tropical Gardens; rip-and-relay - Tropical Gardens; road reconstruction - Palm Dale Road; road construction (second application) Edward

Avenue; Diaz Lane extension (second application) in shoulders; Bodden Road (second application); South Sound Road (second application) and road construction; rip-and-relay Croton Lane, Tropical Gardens road construction - Bel Air Gardens; raise and repair dip-in road - Denham Thompson Way, and that is presently being worked on. Install turning lanes at Denham and Walkers Road junction.

Those are some of the roads that will be repaired in George Town. As I said, it will take time and we are presently working on some of them which, hopefully, will be completed.

There is an additional estimate for roads to be done: Construct roads to Cardinal D's George Town Courts; reconstruct small road off Bodden Road; Parsons Road, Eden Road; reconstruct Martin Road, Windsor Park; clear and second application, Hawkins Drives, Windsor Park; clear and second application for Windsor Park Road and Walkers Road junction; construct Holy Rise Road Phase I and II; reconstruct Barnes Drive; construct road off Spotts/Newlands Road. Ash Road is included again in this estimate.

The previous speaker mentioned the lightweight approach with the National Team regarding funds on behalf of the people of these islands. I do not believe any Member of this National Team has done that with the funds we have had to work with.

Through the media a member of the Democratic Alliance said that we have spent over \$700 million since this Government took office. I wonder if he realises that his colleague and running mate voted for this budget. Does he realise that?

We also have slated for George Town three parks which I will share with the Honourable Members who are not familiar with them. We have one opposite Fosters Food Fair which will be done shortly. We have the Taib Welcome Park on Washington Avenue (better known as the Swamp), and another one to be where the old Agricultural Grounds, or Cricket Pitch, was. Some people may be familiar with it by that name. In addition to what is being done at Watlers Square and Windsor Park those three parts will be completed for George Town. There were funds in the Budget for the Windsor Park facility which is being done by the Rotary Club. We are grateful to the Rotary Club for doing this. Those are some of the parks that will be dealt with.

The former speaker wanted to know if there would be an explanation for the purchase of buildings and if the Government had received the best value for money. Following all the attention in the media, I would like to share some information regarding this piece of property (Block 23C Parcel 5). Yes, I am the part owner of that property.

In October of 1992, my brother and I entered into a contract to purchase the Cayman Food s building. With the Cayman Islands being very small, it is impossible for the Government to purchase land from any individual who is not an employee of Government, or a Parliamentarian, or a family member of someone negotiating with

the Government. The population here is very small and being small we run into problems such as this.

I remember when a former Member of Parliament in the early 1970s, Mr. Warren Conolly, owned a lot of land in East End and the road was to be constructed through his property (what we now know as High Rock). There was a big outcry, because he was a Member of Parliament, and the Public Works Department was constructing the road through his property, that he was going to benefit. The Public Works Department decided to look at several pieces of property. Lo and behold, all the property in that area belonged to the same individual. So there is nothing different between then and today.

If I am a Member of Parliament, and I have things that I buy and sell, can it then be said that they cannot come into my store and purchase because I am a Member of Parliament?

(inaudible interjection from across the floor)

Mrs. Berna L. Thompson Murphy: I am coming to the price, Madam Speaker. We purchased the property in October from Westwind Holdings. We took caution on the property and gave them \$350,000 as a down payment. Unfortunately it had to be exposed in the newspaper along with the contract. Privately, I have nothing to hide, and neither does my brother. I think the thing that amazes them is why it was not completed. I will explain why it was not completed: We agreed to purchase the property for \$1 million (US), however the owners would carry it and give us time to pay for it. We, in turn, had to pay the real estate commission of \$50,000 which was done in 1992 when it was purchased. That was from a real estate agent who is now a member of the Democratic Alliance, so I am not surprised that all of this was published.

We put into the building roughly \$125,000 in repairs because shortly after we took over the building another individual had given a deposit to purchase it from us for \$2 million. This was paid to a real estate agent on the condition that they would receive approval from the Planning Department to assemble fire extinguishers. The Principal of the Red Bay School objected, even though the business would be environmentally friendly (the purchaser could prove it), and the Planning Department turned down the application. Since we had put in the repairs we decided to put it to our own use as a warehouse. All of the repairs totalled \$1.176 million. We have invested that in the building. Now we are asking for \$1.4 million.

We were to pay for the project after three years. We wrote and obtained an extension where on the 14th of October... and I have a copy of that, and with your permission, Madam Speaker, I would like to lay it on the Table of the House... we were given until the 14th of April at which time we would have to make the payment in full. We put in another \$100,000 and would be paying interest on the outstanding balance at LIBOR, plus 4%. I also have copies of the cheques that were paid.

I have a letter dated 24th of October, 1995, signed by A.L. Thompson Jr., to the Honourable Truman Bodden, the Minister for Education and Planning, offering the Red Bay property for further development of the Red Bay School. I would also like to lay this on the Table of the House. In January of 1994 we listed the property with a real estate agent, and in February of 1994 the agent contacted the Lands and Survey Department notifying them that the property was available for sale at a price of \$1.8 million. The property was valued by the agent who also does valuations for Crighton Properties Limited. At that time it was valued at CI\$1,338,900. This I would also like to lay this on the Table of the House, with your permission.

Of course, as is typical of the Government, we received no response. In fact the property is still for sale, there has been no transaction. We have not received \$1 from the Government or anyone else. We refunded the deposit from the would-be purchaser, who I mentioned earlier, because of the Planning approval being turned down.

I also have some other valuations here: Cayman Islands Realty and Development valued the building including paving, for a sum of \$1,340,585. The valuation states: **"Based on the above, the current rising market in the subject area, and our knowledge of the real estate market in general, it is our opinion that the value at that property is in the range of \$1,350,000."** I would also like to lay that on the Table of this House. This valuation was done on 13th June, 1996.

J.E.C. Building Consultants was also contacted to do a valuation report on the property. They are used by the Government and other bankers. Included in the report is a thorough valuation of \$1,247,500, including replacement costs. I would also like to lay this on the Table of this Honourable House.

The final payment of \$650,000 was made to Westwind Holdings on the 3rd of May, simply because my brother was off the island (he was in the Far East for 17 days) and we both had to sign the cheque. Upon his return we paid Westwind Holdings the \$650,000. We received an extension from Westwind Holdings because it was in the best interests for our finances at the time.

(Inaudible interjection)

Mrs. Berna L. Thompson Murphy: No, Madam Speaker, we are not broke, as the Wight twins seem to be telling everyone in George Town and other areas - that we are broke and the Government had to bail us out. Thank God we are not! We are solvent, which is more than they can say.

The Speaker: Honourable Member, would you please continue with the debate on the two Bills before the House and leave out personalities and otherwise?

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. I will.

On the 10th of May, Mr. Lambert from the Lands and Survey Department did a valuation of this property for the Cayman Islands Government and valued it at \$900,000.

On the 15th of May, my brother and I forwarded a cheque to the Lands and Survey Department for stamp duty in the amount of US\$75,012.20 on the purchase price of \$1 million for the building. Why it was not done before is because, according to law, you have 45 days in which to file and complete any transaction with the Lands and Survey Department.

On the 10th of June we received a letter from Mr. Lambert (the same Lands and Survey Officer) telling us that the stamp duty we paid was not acceptable and the stamp duty liability we now have to pay is valued at CI\$1,268,500. That is exactly 30 days between the 10th of May when it was valued at CI\$900,000 and the 10 of June where it is now valued at \$1,268,500. Is this the same gentleman we have in the Lands and Survey Department?

This is not the first time there has been problems in the Lands and Survey Department regarding valuation and stamp duty fees. I remember after being elected to this House that there were numerous meetings with a member of the Lands and Survey Department regarding Mr. Val Hurlston's land that was taken by the previous Government to build the Community College. For about eight years not one penny was paid to that gentleman. The Lands and Survey Department valued the property at \$10,000 per acre. The going rate at the time was about \$18,000 per acre, and Mr. Hurlston held out because it was not acceptable. At the same time land all around was being valued at a higher rate, half an acre was CI\$45,000.

So deviating from the process and talking all this nonsense (that because I am a Member of Parliament), why should I not sell the land? It is for sale. If the Government wants it, they can certainly buy it. But I am not going to lose on it. That is not "Thompson economics", unlike the economics of some individuals in town. That is not what we will do.

The former speaker shared some information with us this morning concerning the Campbell building and the deviation from the process regarding the SaveHaven project.

The Speaker: Honourable Member, please do not repeat the arguments of another Member which have already gone. That is not correct procedure. Now I will suspend proceedings until 2.30 p.m.

PROCEEDINGS SUSPENDED AT 12.55

PROCEEDINGS RESUMED AT 2.36 PM

The Speaker: Please be seated.

Debate continues on the Second Reading of the Loan Bills. The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. Prior to taking the lunch break I was dealing with the purchase of the Cayman Food s building and I really do not have very much more to say about it, except that it has unfortunately become a political football. Hopefully, in the course of events something else will become a political football.

The presenter of these Bills, the Honourable Financial Secretary, mentioned that 7.2% of annual revenue would go towards covering these loans. The normal percentage is 10% of our revenue. I think he should be commended because it is under the norm.

The George Town Primary School will be equipped with two new classrooms, hopefully for the Fall if not by the end of the year. The George Hicks School building will also have additional classrooms and there is a sewage plant included in these Bills.

There are several items in the Bills, but I wonder why it is only the purchase of lands that has been attacked by the Opposition inside and outside this Honourable House.

The previous speaker mentioned statutory authorities, particularly the Port Authority. It is stated in their Regulations that if a profit of \$150,000 is realised over and above the \$150,000 then that must revert to Government. I am not sure about the other authorities that were mentioned, they probably have the same built-in regulations where any profit over \$150,000 reverts to Government unless it is being invested in development or expansion.

Madam Speaker, we have \$1 million in the Bill for medical facilities. I am sure the Honourable Minister knows that this is what is required. Again, we are being attacked. I am sure that the funds allocated in the Bill will be put to good use and will be utilised for the people of these islands.

The Community College building: that is the annual grant provided to them and there is expansion taking place there now - a new library and other buildings will be coming on stream as well.

Madam Speaker, I have no problem supporting these Bills. The Opposition has said that we need items, so I will sit and listen keenly to hear if they are going to vote for these Bills. They have said we need roads, other school buildings, and so forth. I, Madam Speaker, certainly support these Bills.

Thank you.

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr.: Thank you, Madam Speaker.

I rise to offer my support to the two Bills before the House, the Loan (Capital Projects) 1993 (Amendment) Bill, 1996, and the Loan (Capital Projects) Bill, 1996.

I think the Government has been very prudent with its finances over the past four years. First of all, when we took over in 1992 there was no money to spend. That is a fact. The approach we took was that the 1993 Budget would be within our revenue means with no borrowings attached to it. That is the way it was. In the first year I think we were able to realise a small profit in the region of \$600,000. The next year was basically the same thing.

We really did not have any money in the first two years to spend on any major capital projects in this country. What has also aggravated the situation, especially regarding road works in the district of George Town, is that the previous Government (the 1988 to 1992 Government) spent very little on the repair of roads. What we have tried to do over the last three years is divide what is available for road works between the different districts. I think the Third Elected Member for George Town mentioned something in the region of \$200,000 that was allocated this year. Pittance! It could not even begin to address the need for road repairs in this country.

I believe what has to be appreciated is the fact that at the present time revenue is coming in, Government is managing and controlling its expenditure. The policies that we have put in place since taking office in 1992, for example, reducing stamp duty on land transfers from 10%, imposed by the last Government which basically killed the Real estate market, to 7.5%. Also the fact that in subsequent years (I think it was 1990/1991) the Government of the day introduced some \$20 million in taxes. It basically killed the economy of this country.

In spite all of the losses that were incurred by Cayman Airways, the past Government was not in a position to go out and borrow the necessary funds that were needed at the time to rescue Cayman Airways. We did that a year or so after we took office. We were able to negotiate a loan for something in the region of C\$16 million to help pay off some of the creditors who were knocking down the doors and threatening the airline with liquidation. We did that, Madam Speaker. But at the same time we were prudent in ensuring that the projects that we needed for our people all fell within the bounds of local revenue capabilities.

At the present time, the financial position in the economy could not be better. I understand from talking with real estate agents that real estate is hot right now, and that as fast as properties are made available for sale, they are gobbled up. This adds revenue to the coffers of the country through the stamp duty on those land transfers. This is an ideal time for the Government to approach the financial institutions or individuals and say to them, "We are now in a position to repay funds that are borrowed and we want you to move on with providing these services for us."

I am very pleased to see that in the Loan (Capital Projects) Bill, 1996, there is a provision for \$1.4 million for new classrooms for the George Town Primary and the Savannah Primary School. They are getting four

new classrooms each which are necessary because of the increase in enrollment.

The one thing that I believe no one can accuse this Government of is skimping on providing funds for education in this country, public or private education. I am one who also believes that the public school facilities have to be as good, or better, than that which is available at private schools. I do not believe anyone can accuse the Honourable Minister of Education and Planning for depriving public schools of their facilities and materials in order to support private schools. So Madam Speaker, the Savannah Primary will get the classrooms it needs, and also the George Town Primary. This is in keeping with the demand for space caused by new students being enrolled.

I recall in the 1996 Budget that even for my district of West Bay there was money for a new Assembly Hall for the West Bay Primary School, which is badly needed. So we have done our best to provide those facilities that the public schools, as well as the private schools need.

I am also pleased to see that plans are in place to establish district parks. These are badly needed. At the end of the day one can take one's family for a nice outing, perhaps a walk, or sit under the stars and enjoy the outside beauty. With the rapid growth and development in this country these types of facilities have fallen behind. We were so busy trying to provide the services so desperately needed in order to keep up with the pace of development. Now that we have a bit of breathing space, time to reflect, the Minister for Community Development is moving ahead to ensure that each district has a number of parks where its residents can enjoy their spare time.

Regarding the \$10 million being borrowed, there are some \$4 million for roads. Out of that sum some \$3 million will be spent on road repairs and maintenance in the district of George Town. I must say that even before this request came to this House, I took the time to drive through the district of George Town. I must say that there are significant improvements which have taken place over the last three years in road repairs. That is as a result of the present Government's policy.

The other thing that we have tried to do as a Government is to share as equally as possible the revenue that we have available to provide facilities in all districts of this country, rather than trying to deprive particular districts of facilities which are so badly needed, for political or other reasons.

I do support the idea of spending in the region of \$3 million for road repairs and maintenance in the district of George Town. I believe that even after this money is spent, there will probably be a need for additional funds to handle additional road repairs. As I have said before, the former Government did not spend any time or give attention to road works in the district of George Town, and very little on road work in the other districts.

There are some \$2 million in the Budget for the purchase of lands. We have had a lot of debate in this Legislative Assembly regarding one of the proposed pur-

chases. I know from experience, because we were looking at the possibility of purchasing a piece of property just east of the Red Bay Primary School for the purpose of establishing another Wendy's Restaurant. What we were quoted was something like \$400,000 for a piece of property 100 ft. by 120 ft. Here we are, talking about over five acres of property plus a building, and it is projected that we are going to pay \$1.4 million for it. Not only that, we are getting it on terms where the repayments will be made over a period of four years.

I asked these questions when we sat in Finance Committee dealing with this request. Whatever final price we pay for that property, it is supported by the Government's appraisal, which I think in most cases is ridiculous and very unrealistic. In addition to this purchase, I can remember other purchases that we have dealt with and the appraised value that they come up with, as compared to an independent appraiser, was totally ridiculous. But we must have the Government's appraisal plus a reputable independent company also giving an appraisal. The purchase is based on that.

I do not agree with the comments of the First Elected Member for Bodden Town, who said that because a Member of Parliament has an interest in it we should not purchase it. We need to ensure that whatever we pay for it is justified. At the present time we are faced with a situation where we have cramped quarters for the Lighthouse School. The Sunrise Centre in West Bay is also cramped and needs additional space. I understand that the Red Bay Primary also needs an Assembly Hall and other facilities. So where else in the world are we going to find that amount of property near a school for that value?

Mr. Roy Bodden: Madam Speaker.

The Speaker: Yes, First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. On a point of order.

The Speaker: May I hear the point of order please, First Elected Member for Bodden Town?

POINT OF ORDER
(Misleading)

Mr. Roy Bodden: Yes, Madam Speaker, the Honourable Member has just uttered a deliberate false statement. I did not say that the property should not be bought because it is owned, or is being sold by a Member of Parliament. I said that it does not represent the best value for money.

Thank you.

The Speaker: Third Elected Member for West Bay, what have you to say to that? You have heard the point of order.

Mr. John D. Jefferson, Jr.: Madam Speaker, I recall very clearly that there was a reference regarding the United States of America and Great Britain, that in those two jurisdictions a transaction such as this involving a Member of Parliament would not take place. That is what I recall, Madam Speaker.

The Speaker: I think I remember that myself.
First Elected Member for Bodden Town, have you anything further to say?

Mr. Roy Bodden: Yes, Madam Speaker. I said that it would not take place without some fallout and some investigation.

The Speaker: I think that we have all gotten to the stage where there is so much talking going on, it is really difficult without going to the transcripts. I would say that this is really not a valid point of order.

I will ask all Members in future to be very careful in their presentation on any issue under this.

Mr. Roy Bodden: Madam Speaker.

The Speaker: First Elected Member for Bodden Town.

Mr. Roy Bodden: If you do not mind, Madam Speaker, I am saying that I did not say that the property should not have been bought merely because it is being sold by a Member of Parliament. I would like my position clarified, and if it means going to the transcript, then we should go to the transcript.

The Speaker: I agree with you. If the young lady can get a transcript of that, I will read it and make a final decision on the matter. It depends on whether she can do it today or the day after.

Madam Clerk, will you please ask the young lady if she can possibly do the transcript?

Mr. Roy Bodden: It does not have to be today... *(last part inaudible)*

The Speaker: I am just asking the Clerk if it is at all possible, because I understand there is only one lady left. The other one has not yet returned from leave.

So if it is possible, Madam Clerk, can you please ask the young lady to let us have the transcript with as little delay as possible?

(Interjections)

The Speaker: Please, please, would you let the Speaker have a little say? I do not want any interruption when I am speaking.

Third Elected Member for West Bay, can you continue your debate until such time? Thank you.

Mr. John D. Jefferson, Jr.: Thank you, Madam Speaker. All I want to say in closing on that issue is that I fully support that purchase. I think it is good value for money, and I am quite sure that in the end Government will be pleased with the investment.

Another item in the proposal for a loan is \$1.2 million for a Post Office building near the airport. I understand that the Government has broken ground for this project. I believe the contract has been awarded and it is proposed that before the end of the year the Post Office will have this new facility available. I fully support that. I must say that the Postal Service, over the last three or four years, has been one Government department where we have seen significant improvements. I believe this facility is long in coming and I am pleased to see that it is finally here. Hopefully, before the end of the year we will have that facility available.

I also see that there is \$1.4 million in the request for school buildings. As I understand it this is to be used for some additional classrooms needed at the George Hicks High School, and also to construct a proper sewage plant for those schools in that area. This is money well spent. It also reflects, once again, Government's commitment to supporting education in this country.

I am not going to be very long, but before closing I want to offer a few comments regarding the feeble attempt by the First Elected Member for Bodden Town in comparing this Government's performance to the 1988 to 1992 Government's performance. Anyone who knows anything about finances, who is honest, cannot rightly say that there has not been a significant improvement in the financial position of Government since 1992.

As the Chairman of the Public Accounts Committee (and prior to that I was also member of the Public Accounts Committee in 1988 to 1992) I recall one of the recurring comments of the Auditor General was the fact that the Government's expenditure for the period 1988 to 1992 was constantly outpacing the country's revenue. What that means is that that Government was guilty of spending more than it took in. Even on a personal basis if you adopt that type of philosophy or policy, it does not take very long before you run into financial problems. That is exactly what the 1988 to 1992 Government did; it spent more than it took in.

I think it was three out of the four years when there was very little funding coming from Recurrent Revenue that was contributed to the Capital Projects. I also recall the last Budget they presented (which was 1992) there were \$18 million budgeted for Capital Projects which was all financed by borrowings. When you compare that to the National Team Government's Budgets, that is, 1993 through 1996, the first year we had a surplus. We not only covered all our Recurrent Expenditure, we also

had enough revenue to cover our capital projects. At the end of the year we still had a surplus. In 1994, I think it was basically the same position. So it is only this year that we have gone out and borrowed any significant amount of money in order to finance any of our capital projects.

I heard the First Elected Member for Bodden Town also ask: "What capital projects has this Government put in place for the money that they spent between 1992 and 1996?" One of the things that we can boast of at this present time is that for the first time in our history, the people of this country can be proud of the fact that we have first-class sporting facilities, which were lacking in this country. That is only one item, Madam Speaker.

The Truman Bodden Sports Complex and its grounds in George Town is one of the best facilities, not only in the Caribbean, but probably in the world. Government is moving ahead in spite of all the rhetoric we have heard in providing our people with a first-class, affordable hospital. If I recall correctly, the contract has been awarded and construction is proceeding on schedule.

For the district of Bodden Town, which the First Elected Member represents, we dedicated a very modern, first class, district Health Clinic. This year we hope to break ground on ours in West Bay. It has been talked about for so long. I could go on and on regarding projects that this Government has financed over the four years. The difference in philosophy between this Government and the last Government is that this Government believes that it is in the best interest of this country if we learn to live within our means. Another significant accomplishment of this Government is the financial rescue of Cayman Airways.

I recall the controversy that surrounded the sale of equipment which took place in the last administration. We told them that it would not work, but we could not tell them anything. They ended up not only selling what we had, but on top of that, they incurred some \$34 million in losses.

This morning a Parliamentary Question was answered in this House regarding the present financial position of Cayman Airways. The Minister was able to report that for the first three months of this year the airline is running with a net profit of just in excess of \$1 million. That is a remarkable achievement.

In my mind the reason why the Opposition made such a big hullabaloo out of this land deal is because in the last four years they have been grappling, trying to grab hold of something that they could use to get political mileage. We have run such a tight ship, financially, that we have provided the facilities that the country needs while at the same time living within our financial means.

What amazes me is the fact that now that things are so good, the Opposition Members, who were thrown out in the last Election, are all clambering to get back into this House. I wonder for what reason. They want to come and mess it back up, Madam Speaker. I am proud

of the people of the Cayman Islands. Our forefathers and parents, who did not have the financial opportunities we have, or even the educational opportunities, have what the First Elected Member keeps referring to as "good granny wits." Caymanians have good common-sense; and I believe the people as a whole appreciate the job that this Government is doing. I do not believe they are prepared to give any single-entry bookkeepers a second chance at messing it up.

The First Elected Member for Bodden Town also referred to contributions from the statutory authorities. That is ridiculous. I am proud (and I believe I am correct in saying this) that for the first time in the history of the Port Authority (taking into consideration the amount of money that the Authority makes on an annual basis) the authority made a significant financial contribution to the General Revenue. As the Third Elected Member for George Town mentioned, it is obligated to do so. So I have no apologies to the Port Authority contributing \$1.5 million to the General Revenues of this country. It is excellent. It speaks well for the management and the present Board of Directors for the Authority.

I am also pleased to hear that the Civil Aviation Authority contributed approximately \$6 million on the same basis. There was also a significant contribution from the Water Authority.

I remember being in the Civil Service when the Port Authority was established and the way it was established was by way of a Government guarantee - a loan. So if government financed the establishment of it, then it is only fair that the Government get something back by way of contributions from profit generated by these authorities. That is good financial management, Madam Speaker.

I do not know who the First Elected Member for Bodden Town was referring to when he made the comment about a "lightweight approach to financial management." We have as Ministers of this Government a former Financial Secretary, who (like the present gentleman we have in that position) ran a very tight ship and Government performed financially well. There is also another Minister who is qualified in accounting. Even on the National Team Backbenchers there are people who have significant experience and qualifications in the area of finance. This Government and this country are fortunate to have the leadership they have at this time. So we will move ahead in providing those facilities and services that the country needs despite the puny opposition I hear being raised.

I want to say to the Ministers of Executive Council: keep on target. Keep on course, and do not let the Opposition in this House or on the outside deter you from doing what you should do.

Regarding contributions to private schools, I have no apology for what we have done as a Government in that area. By supporting the private schools it lessens the demands on the Government to provide those facilities and services. Not only that, just about every one of the private schools are well managed and run as a very

tight ship, and it is only fair that as a gesture of appreciation, Government supports them through the puny annual grants and, on occasion, with assistance on special projects. This is money well spent.

What the First Elected Member for Bodden Town failed to mention was that even in these private schools a significant amount of the enrollments are our Caymanian students.

Madam Speaker, I thank you for your time. I do support this request.

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, needless to say, I rise to give my support to the two Bills before us. I have to wonder at times whether those Members who are in opposition to the actions and policies of the Government know what they are talking about.

We have heard much in these debates, and I do not want to traverse grounds that probably have been covered already. I think some of the nonsense of the Opposition has to be put in the right place. To borrow money is not always a good thing, but to borrow money for good projects is good for the country. What is most important is the ability of the country to repay its debts. Just to be able to borrow money means that Government's credibility is good, it means that bankers trust us, it means that bankers have confidence in the Cayman Islands' ability to repay its debts.

When we launched our economic programme (and I would daresay our economic recovery programme) at the end of 1992 when we took office, we set ourselves certain goals. We knew that their attainment would not be easy, but they would call for strong political will, steady nerves, and unremitting effort. Today, in spite of the difficulties we have had to overcome, we have achieved at least some, if not most, of our goals. The National Team can continue to move forward to address further needs of the country.

From the time we began our term of office, we made it clear that our greatest concern was to turn around our damaged economy and to allow the economy to grow in order to satisfy some of the needs of the people of these islands. I believe that we have done that in spite of the Opposition Members (the Member for Cayman Brac and Little Cayman and the First Elected Member for Bodden Town) saying that we would not get anything done. Let me say at the onset that from the beginning the two Members opposed everything that we tried to accomplish. I cannot think of anything that we tried to get going where they did not throw stumbling blocks in the way. We have turned around the economy.

How can we forget what it was like in 1992? Does Team Cayman believe that the people of this country forgot the mess created by Ezzard Miller, Linford Pierson and their cronies? Can we forget the Laws that were passed which damaged the country? Can we for-

get that real estate was dead? Nothing was moving because of the amendment of the 10 per cent in fees. Can we forget that when we tried to amend the Law, the First Elected Member for Bodden Town objected? Can we forget that when we tried to get construction moving again, and tried to protect, as best we could, having a say on who could bring in certain equipment to help our people get more, the Opposition tried to stop that as well? Construction was dead! Can we forget that over 1,000 were registered as being unemployed? They cannot say that today. If they do, they (including the First Elected Member for Bodden Town who said that the performance of the last Government is better than the performance of the National Team Government) are not living in reality, or do not know what existed before 1992, and are not staying in this country. We know that the First Elected Member for Bodden Town is not in any of the categories I mentioned. He has been here at all times, so he knows the difference, and he used to say what the difference is. He is not admitting it today, but he certainly gave the Government at that time a hell of a time, if I can put it that way.

I wonder, if the people were to listen to him and change the Government this year, whether he would do the same to that Government. He likes to elect them and then leave them!

Can we forget that in 1988 we had over \$30 million in Surplus and General Reserves? What did we end up with in 1992? Over \$7 million in debts and \$10 million in reserves. Well, like any good Government the bills have to be paid and, after paying those, that left us with just about \$3 million. Can the First Elected Member for Bodden Town, or his colleagues, Mr. Pierson and Mr. Miller, show us what the country has for that kind of management? Can they show us what we got from that kind of management? We virtually had to start from scratch. We had to create a climate in which investors, both domestic and foreign, felt welcome, felt comfortable and felt safe.

There is talk about priorities. Anyone who thinks that as an island-nation we do not have to show the international community, particularly the bankers, that we are serious about the management of our economy, and that we are prepared to be realistic about our wants and priorities.... We have to, Madam Speaker. How else are we going to be able to borrow? Do they believe that we can dream up these projects, write them on a piece of paper and bring them to Parliament, then force the banks to lend the money to us? No! Although it is said by the Opposition Members that the country is badly managed (and if you listen to their words you would say grossly mismanaged - if we listen to them we could not say otherwise), do they believe that the bankers just come and say, "Oh, we know you, we will lend you the money..."? The Cayman Islands has to be in a solvent position, the economy has to be well managed. Just as we have to be good managers of our personal economy (our income and expenditure) to be able to borrow... if not, we know what happens when we go to the bankers

and they tell us: "Sorry, we cannot lend you the money." If we have not found ourselves in that position personally, we certainly know of people who have.

At the end of 1992, when there was a decision to borrow \$16 million for the National Airline or let it sink, our bankers said, "Let us see how willing you are to properly manage, to cut your expenditures and prioritise." We know the result of that - we got the funds. But Mr. Pierson and Mr. Ezzard could not get them. Because the international community respected us and trusted us enough (and when I say 'us', I am talking about the country), and believed in the management enough they said, "Here is the \$16 million."

Do not let anyone think that we are just printing this Bill to get these projects just so. We have to put up.... And yes, let me say to the First Elected Member for Bodden Town, that the proof of the pudding is in the tasting. We know what we are doing!

The country cannot ask for roads and not have to pay taxes or not have any increase in fees. They cannot ask for all of these things and get them without expecting to see some kind of borrowing. How else would we get the roads if we did not have an increase in taxes and an increase in fees? How else? Can we just wave a magic wand and have roads or school buildings appear? We made a decision to borrow and not to raise fees or tax our people as the previous Government did - the Government the First Elected Member for Bodden Town is lauding today. They had to borrow money for all of their capital projects.

We are funding ours because of good management. We are not a country that can stretch out our hand and some friendly nation will give us millions for the development of our infrastructure. I would not want to find my Government in that position. I am proud that we have managed so well, that banks are running to lend to us and that individuals are offering us money to borrow so that we can buy needed property on time.

The Opposition, in true fashion, has criticised every item in the Loan Bill. That is nothing new to them. They opposed the grant for churches and private schools in the past. They criticised the Government for giving to schools. That is nothing new. Every child today knows what the Opposition says about private schools.

In fact, every programme that the Government embarked upon has come under heavy fire from them, even we, as Ministers, were (and still are) accused of all kinds of things in connection with our programmes. They are still criticising the building of roads for the people of this country. But what kind of Government would we be if the need for roads to the homes of our people were identified and we refused? We cannot. This is what the past Government did. Only the roads in the subdivisions of their supporters were built or fixed. But the National Team Government has fixed everybody's - supporters and non-supporters alike.

The Opposition Members talked about things which were not done over three and a half years and are just being done now. That is neither here nor there because

given our policy not to tax, we would still have had to borrow whether it was in November last year or now. The truth is, people held off from borrowing for as long as possible, which I did not support altogether because it did not make the need any less.

The First Elected Member for Bodden Town spoke about fudged figures and left out amounts. I do not know who will rise to defend him after I sit down, but we are not doing anything that we did not tell the people we would do. If you examine the Financial Secretary's Budget Address, he said that we would have to borrow. So why get up in here and make the world believe that we are doing something that we said we would not do? Do not tell me that he did not hear the Financial Secretary say that. I know that they used that argument in their budget presentation as well. But the truth is that it was said at that time that we would have to borrow. Some projects come to mind. People push for projects even after the Budget is put together. But if it is something for the people of this country why should we do otherwise?

The Member for Cayman Brac and Little Cayman, who seems to think that he knows it all and votes against everything, began his speech by talking about financial imprudence. I think we have addressed that matter already. He also began by talking about dishonesty. I wish to address that issue.

The Member and his cronies have been talking in public meetings on the street, and in the House, about spending \$1 million on a cricket pitch. They talked about financial dishonesty. I am not worried about that with this Government because we have a good Financial Secretary and we work together as a Government should, under our circumstances. But I am concerned with the kind of dishonesty that is so blatantly touted from political platforms and in this House. Dishonesty such as what the Second Elected Member (who used to represent Cayman Brac) was doing in his speech. I can term it nothing else but blatant dishonesty.

They were in Finance Committee and they well know (as they knew then) that there were not millions of dollars going toward any cricket pitch. In the Minutes of the Finance Committee it says: "**Finance Committee's approval is hereby being sought for a supplementary appropriation in the amount of \$419,000 to cover the cost of construction of a cricket pavilion which includes a softball and baseball facility.**". How can he, or any other Team Cayman candidate, such as the female candidate whom they have with them, say that these Loan Bills contain \$1 million for a cricket pitch? That is dishonesty, flagrant dishonesty in the worse form. They cannot claim that they did not really know what was discussed in Finance Committee when they sat in Finance Committee (both of those Members) and asked all kinds of questions about the \$419,000. Even when the same subject is in another document they still tell blatant lies.

Yes, they are Christians all right. How vicious! They are the first ones to claim perfection, to talk about their honesty and to paint Ministers as black as possible. But this could not be a mistake of theirs, as they sat in Finance Committee and asked questions on it, and they put it in their advertisement in the newspaper and talked about it for 20 minutes in their public meeting. This could not be a mistake. It can only be dishonesty! It is proof positive of what a misguided, evil-minded Opposition is capable of.

When they claim that they are Christian and hobbnob with those who criticise Government, and say that they are Christians too, yet so willing to brazenly tell lies about something.... They better read the story of Ananias and Sapphira.

(Inaudible interjection by the First Elected Member for Bodden Town.)

Hon. W. McKeeva Bush: Perhaps the Member who was speaking can tell us if Socrates misguided the young people of his day. I do not know because I did not study Socrates. Maybe he knows about the misguidance of young people because he was in the schools. I do not know about Socrates, but I sure do know that in Acts it is said that Ananias told a lie, then walked out the door and dropped down dead.

Better mind that it does not happen to you, Mr. Member for Bodden Town.

Mr. Roy Bodden: You better mind yourself. Physician heal thyself.

Hon. W. McKeeva Bush: I am not telling a lie, and I am not a physician. I can only tell the truth, and if it hurts...

Mr. Roy Bodden: You did not understand the analogy.

Hon. W. McKeeva Bush: I understand the analogy.

The Speaker: Please, I ask Members that if they have anything to say they address the Chair. The debate is on the Loan Bill, not on Ananias and Sapphira, or Socrates.

Hon. W. McKeeva Bush: Tell him about it, Madam Speaker. Some people like to sport a new shoe, but they cannot stand the pinch.

I say that when two hard-backed men come to this House and question a Minister about it, see it before them and hold it in their hands, and still go out and tell a lie about it; then come back into this House and tell another lie.... I say that those Members should be tarred and feathered. That would probably be too good for them.

(Inaudible interjection by the First Elected Member for Bodden Town.)

Hon. W. McKeeva Bush: Is he challenging me, Madam Speaker?

Mr. Roy Bodden: Yes, I am.

Hon. W. McKeeva Bush: I am not Truman Bodden. Do not challenge me. Furthermore, you are not in a position to challenge anybody.

The Speaker: That is not part of the debate, Honourable Minister.

Hon. W. McKeeva Bush: I agree with you. Tell him to keep his place.

It is not true that we spend more on private schools than on Government schools. I heard the Member for Bodden Town say that. He constantly says that. We spend \$20 million a year on Government schools. That is in the Budget for all to see. Yet they lie about that too. They said that I spent more on sports than on education. They criticised all of the projects.

It is not good for any Member to get on the public platform saying that they support sports, then when it is time to vote funds, run behind the door and talk about expenditure. He has to make up his mind as to which way he wants to go. The only way that we can get funds is to vote for them. They should be honest and tell the people what they are all about. I am tired of hearing those two Members say that we spend more on sports than we do on education.

I am also tired of hearing those two Members get up in this House and talk about the deterioration of our young people. Yet, when the time comes to do something which uplifts their quality of life, they do not want to vote the funds. They would rather spread propaganda, especially in this election year.

We come here and ask for millions of dollars for roads, and we cannot spend a few hundred thousand dollars on sports for our children? Where do they want the children to go? Do they want them to go to some grass-piece to kick football? Do they want to take them somewhere on the beach where it is already overpopulated? What kind of quality of life do we want for our children? Do they want them to play on the marl road? Where do they want them to go with a bat and a ball - out in traffic?

By the time we finish this year, this Government will have spent in the region of \$100 million on education. When the Government was planning a high school in the Bodden Town area the First Elected Member for Bodden Town kicked against it and said that he did not want any division. What is he grumbling about? Inconsistency is the big brother to instability. That is in the *Hansard*. He opposed it.

Mr. Roy Bodden: Find it.

Hon. W. McKeeva Bush: I can find it. You better mind that I do not bring it. You better remember Ananias. The last Government...

(Inaudible interjection by the First Elected Member for Bodden Town.)

Hon. W. McKeeva Bush: Madam Speaker, may I continue, or are you going to say something to that little rat over there?

The last Government built a building for some \$600,000 to pull out teeth, but could not spend \$300,000 on parks. The same Government he lauded had plans of \$350 million for roads. Yet we cannot spend \$500,000 on sports. The last Government also spent over \$400,000 on a post office in North Side. But we cannot spend \$250,000 on sports. What do Members want? If we have to borrow and we are able to, so be it. This is not for any National Team Member. This is not for the Fourth Elected Member for George Town, or the Member for North Side or the Fourth Elected Member for West Bay. It is for the children of this country. These are things that should have been done 25 years ago. If the Member who is constantly interrupting would tell the truth, he would say that the last Government should have done it, as should have the one before that.

He talks big, trying to find some issue about this land being purchased. They did the same thing when we bought the Spotts land. When we buy land it becomes an asset, it is not going to rust or deteriorate; it will increase in value for this country.

The biggest joke of all is to hear the First Elected Member for Bodden Town criticise the Minister for Education and Planning about buying the Cayman Food s building and then go on to say how confused he is, and that the Minister should have bought the Cayman Foods building just after he got elected because any blind person could see that it was a necessary acquisition. What a joke! Some people are so confused that they do not know if they are coming or going, standing or sitting. He never talked as much while standing up as he is now while sitting down when he is supposed to be listening.

The biggest joke of all in that Member's speech was when he was trying to compare the expenditure of the last Government, then went on to ask, "Where are the roads? Where is the hospital?" The hospital was stopped because people like the First Elected Member for Bodden Town had sense enough (then) to assist us in the stopping of that atrocity being built in the swamp. He and his colleague were part and parcel of the efforts in the House. They were part and parcel of the efforts on the street to stop the building of the hospital in the swamp. I thank them. Why do they come back now and try to say otherwise? Have they forgotten? Have two men in their 50s...*(Inaudible interjections from other side of the room)* They look like they are in their 50s!

We have been building all along. The funds now being discussed will go to pay for roads, the hospital and other capital projects. I find it hard to believe that the

First Elected Member for Bodden Town (who says he is an academic) says that things were better under the last Government.

The First Elected Member for Bodden Town came waving some piece of paper around saying that we had pillaged the authorities, and that the last Government did not. It cannot be said that anybody from this Government had their water bill wiped out, as was done for Mr. Pierson who is now complaining about the \$700,000. That would have given us a little bit more, at least. I do not think that the Water Authority was pillaged. Anyone listening to that Member would believe that Government did something wrong.

It says in the Water Authority Law that any excess over the sum recommended to be held should be paid into the General Revenue of the Islands. That is the Water Authority. In the Civil Aviation Law, section 7(4) says, "**Any balance of account in favour of the Authority up to the amount of \$100,000 may be carried forward to the account of the following year and any balance in excess of that sum shall be paid into the General Revenue of the Islands.**"

If we look at the Port Authority Law, section 4(8), it says, "Any balance of account in favour of the Authority up to the amount of \$100,000 may be carried forward to the account of the following year and any balance in excess of that sum shall be paid into the General Revenue of the Islands." So what does the Member mean when he says that their accounts are being pillaged? The truth is that this is the first time that the Authorities were in such a good position that they could contribute to the General Revenue of these Islands. That is what the Law says should be done. In the past they had some funds but they did not contribute. We know what happened to some of the Authorities. Mr. Pierson likes to brag and accuse Government of \$700,000 expenditure - he does not even have that right. What they should tell the country about is the mess that the National Team Government had to clean up at the Port Authority warehouse - the sunken property. They talk about buying Cayman Food s. At least that is standing!

Even if we received some funds from the Authorities, we still contributed to the capital development of this country through the earnings of the country. We are in a much better position than the previous Government.

Criticism can be levelled at the Government, which is the job of the Opposition in a democracy. One thing we can say for this Opposition is that they do no work, but they can sure talk. They have big words, even though they get them mixed up sometimes. But talk is cheap. We had to burn the midnight oil to turn this country around.

I am proud of the National Team Members, and I am proud of the civil servants who assisted us and the Official Members. We did it by the sweat of our brow, with hard work, not with cheap talk.

The First Elected Member for Bodden Town also tried to show that the last Government's budget was less

than ours. We would have been a backward Government, we would have been regressing if we went back to their figures. What nonsense. It only shows that the country is moving forward. We have plenty of projects which came out of the expenditure he mentioned: schools; a new clinic in West Bay; the starting of the Civic Centre in West Bay; the Bodden Town Clinic; the North Side Civic Centre; sports facilities in all districts; a new hospital started and well underway; student loans (the first time our students can get loans, not like before when it was a chosen few). I do not think the Minister and Members of the National Team have anything to hang their heads about.

For them to talk about elections.... The people will choose wisely. They know who is who. They know who has produced and who has not, they know who is inconsistent and who is not, they know who is unstable; they know who is responsible enough to be on Executive Council. We have Members who do not run away from it because of two jobs. We hold our heads high and do our job. I am not worried about the general elections. The people will choose wisely.

This country can only advance with these projects that we are asking for today, such as, schools, post offices, roads and other amenities, such as parks for our families. This is a well-rounded proposition. What we have in our hands now is an opportunity, we ought to grasp it. The Opposition should not expect to criticise Government for borrowing money then run to us and ask us to do pet-projects for them. They should bear that in mind. We are not building these things for the National Team, we are building them for all the people of the Cayman Islands. We will continue as we have because we are doing what we promised the people we would do. We do have a country to develop and we have a future to secure. We are prepared to go forward into the 21st Century with good management to get these things for the families of these islands.

Thank you, Madam Speaker.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: This Bill for a Law to authorise the borrowing for up to CI\$10,685,268 for the financing of specified capital projects and the accompanying Bill which is seeking to allow Government to draw a balance of \$2 million which was borrowed, in effect, before and not used up, are two Bills being debated together. The two Bills that we are debating call for additional borrowings of the country in the middle of the year. There are specific areas which the larger of the two Bills has outlined for the total borrowings.

I intend to take the specific amounts as they appear in column one on page 4 of the larger Bill, and go through each item with the view to showing what I consider the merits and demerits of each one. In the Memorandum of Objects and Reasons of the smaller of the two Bills, says "**This Bill would amend the capital pro-**

jects for which authority was provided to the Governor in Council to borrow CI\$8,130,171 by the Loan (Capital Projects) Law 1993. The total amount authorised would remain unchanged, but the amount in respect of item 5 in the schedule would be increased by CI\$611,260; that in respect of item 6 would be reduced by CI\$2,046,566; and a new item 7 would be introduced." Item 7 is school buildings, \$1,435,306.

My understanding (I say 'my understanding' because I am not quite sure of this) is that this amount for school buildings refers to some work that has to be done at the George Hicks High School. I understand that this is for the sewerage plant and for some necessary structures. In dealing with that issue, let me quickly take a trip back into the very recent past, going through the 1995 Estimates and the 1996 Estimates, both of which were approved.

In the 1995 Estimates the approved figure for expansion of phase II at the George Hicks High School was \$446,600. In the very next column, which is the projected 1996 figure, there is a projected amount of \$1 million. That was in the 1995 Estimates. I fail to see a specific figure put in for any work to the George Hicks High School in the 1996 Estimates.

I have heard it said that nothing had been done ... I seem to be being corrected here.... Let me continue with my figures. Speaking generally, regarding estimates for school buildings, which would include George Hicks High School and whatever other schools, I am speaking about the comparison of the 1995 and 1996 Estimates.

In the 1995 Estimates, there are three sections lined up next to each other. The first section says "Revised 1994 Figures." Under subhead 51-122, which is School buildings, the Revised 1994 Figure was \$2,596,075. In the column next to that is the 1995 Estimate which was approved. That figure was \$2,371,048. In the column next to that (as is the usual case) for the 1995 Estimates is the projected 1996 expenditure for that same subhead (51-122 - School buildings). The projected 1996 figure was \$3,313,200. Here we have a revised 1994 figure which means actual money spent of just under \$2.6 million; we have the estimated amount to be spent in 1995 which was just under \$2.4 million; and we have the amount projected for 1996 which was just over \$3.3 million.

When we look in the 1996 Estimates (one year later), which have been approved, we see an actual figure for 1994 of just under \$2.6 million (which is what the 1995 Estimate said); we see the amount approved for 1995 which is just under \$2.4 million (as the 1995 Estimate said); then there is a revised 1995 figure (which by our 1996 Estimates we would have had the figure of the money that was spent because the 1995 Estimates gave us the figure we thought we would spend, and the 1996 Estimate would say what was spent) of just over \$2.5 million which is just about in line with what was estimated.

In the 1996 Estimates where we would expect to see an estimated figure for 1996 there is nothing. Unless I have a different set of Estimates from everybody else, in the column for the 1996 Estimate under School buildings, there is nothing. I am prepared to give way right now if I am wrong and somebody could explain this to me.

MOMENT OF INTERRUPTION - 4:30 PM

The Speaker: Honourable Members, it is now just after 4.30, I assume it is the wish of all Members to finish what we have today, at least down to the Third Reading of the Bills. I hope that Members would wish to continue to deal with all of the Bills this evening. It would be the debate, the Committee stage, the Report and Third Readings. We could go on a bit longer.

I am in the hands of Members.

The Honourable Minister for Sports, Women's and Youth Affairs and Culture

Hon. W. McKeeva Bush: How long would the Member have, Madam Speaker?

The Speaker: I need to find that out.

Mr. D. Kurt Tibbetts: I could be very lengthy. In fact, I will be very lengthy.

The Speaker: When you say 'very lengthy', do you mean beyond 5 o'clock?

Mr. D. Kurt Tibbetts: Yes, beyond 5 o'clock. With respect, I had no warning of this, and I have two commitments this afternoon - one at 5.30 and one at 6.30.

The Speaker: I am prepared to take a Motion from a Member.

The Honourable Minister for Sports, Women's and Youth Affairs and Culture

Hon. W. McKeeva Bush: Before I move the adjournment, I had written to you about a matter that I wanted to raise at the adjournment.

The Speaker: I am aware of that. Before I deal with that, I need to deal with a point of order that was raised.

I would like to hear from the First Elected Member for Bodden Town who raised the point of order.

RULING BY SPEAKER

(On point of order raised on 20th June, 1996)

Mr. Roy Bodden: Concerning the correspondence, Madam Speaker?

The Speaker: No, it was concerning the statement made by the Third Elected Member for West Bay in his

contribution about the purchase of the Cayman Food s building. You raised a point of order there.

Mr. Roy Bodden: Yes, Madam Speaker, I did not say that the purchase should not have been made because it was being purchased from a Member of Parliament. I said that in other jurisdictions, if the purchase was made from a Member of Parliament, there would certainly be a lot more furore and investigation into the matter.

The Speaker: I have received the transcript which says: "Madam Speaker, can you understand that in the great United States of America, or Britain from whom we take our parliamentary cue, that Government buying property from a sitting Member of Parliament... and it goes just like that!" Those are the transcribed words which have been edited by the Deputy Clerk.

Third Elected Member for West Bay, what did you say in your contribution?

Mr. John D. Jefferson, Jr: That is exactly what I said.

The Speaker: I am afraid that I have not received your transcript. The First Elected Member for Bodden Town raised a point of order when you said.... What was it you said? Let us get that first. I have it right here. You objected to what he said.

Mr. Roy Bodden: Yes, Madam Speaker, because he implied that I said that the purchase should not go through because of the fact that it was being purchased from a Member of Parliament.

The Speaker: I said then that it was not a point of order. I think that I was wrong when I said that because here it clearly shows that the First Elected Member for Bodden Town said, "...can you understand that in the great United States of America, or Britain from whom we take our parliamentary cue, that Government buying property from a sitting Member of Parliament... and it goes just like that!" The Third Elected Member for West Bay said that the First Elected Member for Bodden Town had objected to the purchase of property from a Member of Parliament. The First Elected Member for Bodden Town did have a valid point of order because that is not what he actually said.

I ruled that there was a point of order to answer for and that can be duly recorded.

The Honourable Minister for Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Thank you, Madam Speaker. I rise to speak to a matter which...

The Speaker: Excuse me, you have to move the Motion for the adjournment.

Hon. W. McKeeva Bush: I do move the adjournment of this Honourable House until...

The Speaker: No. You move the adjournment of the House then you speak to a matter of urgency. After that you put the time we should adjourn.

Hon. W. McKeeva Bush: So I can get this right, Madam Speaker, do you want me to move the adjournment under Standing Order 12?

The Speaker: Yes.

**MOTION TO ADJOURN
(STANDING ORDER 12(1))**

Hon. W. McKeeva Bush: To be able to discuss a matter of urgency, I wish to move the adjournment under Standing Order 12.

The Speaker: The question is that the House do now adjourn and that there be a debate on an important matter which the Minister has discussed with me. I shall put the motion that the House do adjourn and that there be a debate on an important issue which I am satisfied is important.

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

AYES.

The Speaker: The Ayes have it. Please continue, Honourable Minister.

**STATEMENT RE: COW-ITCH INCIDENT AND MR.
LINFORD PIERSON ON NATIONAL TELEVISION**

Hon. W. McKeeva Bush: Thank you, Madam Speaker. I wish to draw Members' attention to a matter which I think affects the integrity of Members of the House. Since the incident in the House last week, much has been said. We wish to address the comments of a former Member of the House, Mr. Pierson, on national television.

Mr. Pierson was quick to say that people were saying that it (the cow-itch in Mr. Truman Bodden's coat) was a prank by the National Team Members. He further said that the police should do a thorough investigation before fingers are pointed. For Mr. Pierson to go to such lengths, when he should have been totally neutral, was a deliberate attempt to smear the integrity of the National Team Members in this House. Since Mr. Pierson sought to create doubt in the minds of the public, it is important to clear up any misgivings which may have been created by what he said on national television.

The National Team has never done anything to hurt anyone who opposes us. When you consider the amount of abuse heaped upon us, and the number of

lies told about us, it would make many a good man commit himself. But we are different from them in that we do not want power to the extent that we damage someone. We would never do that. If we do not follow in the footsteps of those who are against us, why would we try to hurt someone who is with us, someone who is doing so much to help the country as has Mr. Truman.

I find it deplorable for Mr. Pierson to go on national television and point fingers at the National Team. Why is Mr. Pierson finding so many excuses for these dirty acts? I have found that this is not the first time that this gentleman has found an excuse for such occasions. He did the same thing in the newspaper when the Wights nearly stopped Mr. Truman's meeting some time ago. Why did he go on national television about the cow-itch incident?

It is strange (and rather unusual in this incident) that on Wednesday after the lunch break (before the cow-itch incident on Thursday) when a few of the demonstrators who were outside came in, at least three of them kept asking for Mr. Truman Bodden. I would not come here today if this were not important. We feel that there has been an attempt to smear our integrity.

Three of the demonstrators were asking where Truman Bodden was, Mrs. Ellen Pugerro, Janet (I do not know what her last name is... Tomasky?), the daughter of Mary Lawrence, and one of the Wight twins. They could even say, when they were told that he had left, that his car was still in the car park. One has to wonder why those three were so interested in where Mr. Truman was. It is important to note that some were supporters of Mr. Linford Pierson. No one knows why he had to go on television about the cow-itch, but the old saying holds true: A guilty conscience needs no accusers.

I want to thank you, Madam Speaker, because we felt that we should address and clear up that matter. None of us would want to do anything to people who oppose us, much less someone who supports us.

Thank you, Madam Speaker.

The Speaker: The First Elected Member for Bodden Town

Mr. Roy Bodden: I stand here this afternoon, truly amazed and I wonder where I am. Does the Minister who just sat down not realise what he has done now? The Minister, whom I wrote you the note about expressing my concern, is the same one who said that someone should tar and feather my colleague, the Second Elected Member for Cayman Brac, and Little Cayman, and I, now gets up saying, 'My, my, my...', and accuses four persons, whom I have to say are innocent.

The National Team Government had better take stock of what they are leading this country to. They talk about not wanting to hold on to power? They better be careful at what cost, Madam Speaker, because I cannot believe my ears. That Minister, who claims he is so responsible, has just incriminated four citizens who have no recourse to defend themselves in this forum to the

level that he has. It is downright dangerous. It is insightful, it is inflammatory, and I am crying shame on him! I wish to have no part of it.

Let me tell you something, Madam Speaker. What should be done is that the police investigation should run its full course. There should be no interference, no compromise and no correlation by anyone outside of the legally constituted body who should investigate these things. For that gentleman to come here and go home feeling good this evening when he has just left those four persons in a terrible position, is reprehensible. That is the same Minister who was preaching across the floor at me a while ago talking about Ananias and Sapphira. He is a Barabas, Madam Speaker, an old mother rouser. This is serious, Madam Speaker...

Hon. W. McKeeva Bush: On a point of order, Madam Speaker.

POINT OF ORDER

The Speaker: The Honourable Minister for Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Who is the Member calling Barabas?

The Speaker: I was just going to ask, because it does not help the situation if names are being called. If there is going to be any further name calling, I am just going to have to put the question that the House be adjourned. We can debate without name calling. I do not want to hear anymore of that, please.

Mr. Roy Bodden: I did not call any names. I just said Barabbas. Is there a Barabbas in here?

Hon. W. McKeeva Bush: You said, "The Minister."

The Speaker: Please, let us be careful. Have you finished, First Elected Member for Bodden Town?

Mr. Roy Bodden: No. I could be here until midnight on this matter.

What has just happened is a serious matter and I wish, as a representative of the people, to distance myself to the furthest point from any speculation that what happened here Thursday could have been done by any of the four persons so named, and that they would have any part in condoning, or otherwise.... If persons came in here inquiring after Minister Truman Bodden, did anyone seek to ask what the purpose of their inquiry was?

I would like it noted that the First Elected Member for Bodden Town, while I consider the act done on Thursday reprehensible, stops short of accusing any citizen, least of all anyone who does not have access to

this forum to defend himself. Far be it from my style to besmirch anyone's reputation.

I just end with the warning that we had better be careful what we are doing.

The Speaker: I wish to say that I was aware that the Minister was concerned about this issue, but I was not aware that names were going to be called. I feel that we will have to leave it to the time when the police complete their investigation into the incident. It is wrong for this House to be engaged in accusing people without their knowledge.

The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Thank you, Madam Speaker.

Thursday afternoon I rose in this House to state my opinion, as did all Members of this House, following the incident in which the Minister for Education was involved.

I did not say it then, but I will say it now: I thought it most peculiar the way everyone seemed so anxious to use the forum of this Legislative Assembly to impute everything in the world, except some good, to one another - particularly those not involved with the Government of the day. I have been around Government for 17 and a half years. I know normal procedure of Government. The Legislature is a very unique and official part of Government.

As I went home that night I wondered why this matter was not contained, with the person damaged or hurt given all the medical attention necessary, while the police were called in to do what was obviously something for the police to do; with everyone in here keeping their mouths shut until the police had completed their work. That was not the case. Everybody in here was dancing a jig to talk about it. The ludicrous part of it was talking about what the world is going to think.

Well, guess who was informing the world! The House suspended to accuse everyone. I wish to make this point, because the Minister for Community Development talks about Mr. Pierson being on television saying what he said: His handsome self was seen on national television standing in front of the Legislative Assembly with the words, "How do we protect ourselves from ourselves?"

Hon. W. McKeeva Bush: We cannot protect ourselves from you.

Mr. Gilbert A. McLean: What is that suggesting, Madam Speaker?

Hon. W. McKeeva Bush: I did not say anything that I did not say here.

Mr. Gilbert A. McLean: What is that suggesting?

This evening he comes here under the privilege of this House, again, on a special Motion on the adjournment, to accuse four citizens of the Cayman Islands for something relating to what happened to the Minister for Education.

Hon. W. McKeeva Bush: Oh, sit down.

Mr. Gilbert A. McLean: He thinks it is privilege. I think it is criminal.

Hon. W. McKeeva Bush: What is criminal?

Mr. Gilbert A. McLean: I believe...

Hon. W. McKeeva Bush: Madam Speaker, on a point of order.

The Speaker: May I hear the point of order?

POINT OF ORDER

(Imputation of false motive)

Hon. W. McKeeva Bush: The Member is imputing improper motive. I do not think that anyone in here has done anything criminal.

The Speaker: I think he is expressing his opinion.

Hon. W. McKeeva Bush: He is talking about a Member who was speaking - me!

The Speaker: I do not think it is a point of order.

The Second Elected Member for Cayman Brac and Little Cayman would you please come shortly to the end of your debate because I am going to put the question.

Mr. Gilbert A. McLean: I have nothing more to say other than that I think this Legislative Assembly and the purpose for which it exists is being disgustingly perverted.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Thank you, Madam Speaker.

Having seen the apparent upset and anger by the First Elected Member for Bodden Town and the Second Elected Member for Cayman Brac and Little Cayman, I am beginning to wonder who got the cow-itch out of this whole thing.

I did not have the opportunity on Thursday to speak on this matter. What was done to me was a despicable act and I can only hope that the Good Lord sees fit to help the sickness of the person who did it to me. I not only suffered from the itching of it, but I suffered badly from disorientation for several days.

If anybody should be angry in this House, it should be me. Not only have I suffered, but I actually had the First Elected Member for Bodden Town strike me in this House in the presence of the Honourable Third Official Member a few months back. That is the God's truth. So when he is alleging all of these things, hopefully, he will remember that. He did come to me and he apologised, but he walked across the floor of the House and actually struck me. It is nothing for the Honourable Member to get angry about because I have been on the taking end of continuous harassment here.

What has brought this debate about is perhaps two things: 1) I did not have an opportunity then because I was physically unable to debate; and 2) the fact that Mr. Linford Pierson went on television and put forward the ludicrous statement that Members of this House, the National Team Members, would do something like this to me. I do not believe that any Member of this House, Opposition, Government, Official Members, or anyone in this building, would do something like that to me or anyone else in this House. I think that advancing a statement like Mr. Linford Pierson did on television is as sick as the act that was committed on me.

Something needs to be done to ensure protection of rights. Today, in the area of this House I attempted to speak to the television reporter and one of the Wight twins interrupted. I had to take the microphone off me, come back into this building and ask one of the guards to come out. There has been a series of things. At some stage the Immunities and Privileges of this House need to be invoked to see that Members can, in a peaceful way, exercise and express their right to speak, as well as to remain comfortable within the House.

The police have been called on this matter, and I have given a statement to them. Hopefully whoever did this will be found. I do not understand why the Second Elected Member for Cayman Brac and Little Cayman and the First Elected Member for Bodden Town should be getting so angry and upset - if anyone should be angry and upset it should be me. Perhaps the difference at this stage is the fact that it is all right to be giving this type of punishment, but, obviously, when you are on the taking side it is totally different.

I have been on the taking side of....

Mr. First Elected Member for Bodden Town, please do not interrupt me. I let you off the last time you physically struck me, and I am getting a bit tired of it, I am not going to be...

The Speaker: Kindly direct your remarks to the Chair, Honourable Minister.

Hon. Truman M. Bodden: If I were someone different from who I am.... It was a criminal offence to strike a Member within the precincts of this House. I am saying that the sympathy within my heart, because he apologised...

Mr. Roy Bodden: Why are you talking about it now, then?

Hon. Truman M. Bodden: I am talking about it because of the allegations that that Honourable Member has made, so that they can see that this is not a one-of incident. A lot has been levelled at me over the past year or so. There seems to be some move, since they cannot destroy me with words, to get on to the physical stage of doing so.

If it reaches a stage where I have to deal with the whole lot of the Team Cayman and the Democratic Alliance within this House or within politics, then I will have to do it.

In closing, I can only pray that the Good Lord will somehow try to reach people who do despicable acts such as this. It is something that no decent person who has a mind that is not sick would even attempt to do - come within the precincts of this House, into the Common Room and plant cow-itch as was done.

I would like to thank the many people and the many Members of this House who expressed sympathy to me. Shame on whoever did this act! I have been told to keep fighting on and not to let this sort of thing get in my way.

Thank you, Madam Speaker.

The Speaker: Before I put the question on the adjournment, I need to say that over the weekend I prepared Orders under the provisions of the Standing Orders and the Legislative Assembly Immunity Powers which gives me the power to do so. I hope that these will shortly be ready to be circulated to Members. I believe they have already been passed out to the Serjeant-at-Arms and the security officers now on duty. These Orders are very stringent and ask for the strictest supervision of the entire precincts of this House as well as the supervision, protection and care of Members while they are in this House.

Perhaps later on the Attorney General will make an amendment to the Law which will also encompass the car park. That is also an important part of the area which should come under the control of the Speaker to ensure that unauthorised persons do not accost Members and Officers of the House.

Members will shortly receive this, but in the meantime, I have had two complaints about someone who has been accosting Members. If there is a third complaint I will have to declare that person *persona non grata* in the precincts of this House. It will be done and I will not be afraid to use the powers that I have. The protection and care of Members in the work of Government in these Islands is very important.

Honourable Minister can you give me a date when the House will resume?

Hon. W. McKeeva Bush: Madam Speaker, I thank you for your indulgence. I do not think that I have anything to ask forgiveness for or to be ashamed of. The National

Team and I have not accused anyone. I note that the First Elected Member for Bodden Town who was instantly on his feet, made all sorts of accusations himself.

I wrote to you, as Speaker, and I rose because according to what the former Minister said on national television, we were being accused. We do feel that it affects the integrity of Members. He made no bones about it. He was here this morning saying the same thing.

I just want to say that I do not know who the four persons are who the Member for Bodden Town mentioned. I simply mentioned three names. I do not know how he could say that he knows that they are innocent. I would like to know how he knows that. Hopefully the police will carry out their investigation. But we have to let these people know that they cannot come within the precincts of this House and constantly bamboozle Members as they have been doing.

It is time that the public understands that every time they do it we are going to make noise where people can hear it and bring it to their attention. That is why they are hollering about it - they do not want people to know what is going on. The people shall know about these kinds of acts.

We have not done anything wrong, and I hope that they have learned a lesson from going on national television accusing Members of the National Team. Accordingly, I move the adjournment of this Honourable House until 10 o'clock Wednesday morning the 3rd of July.

ADJOURNMENT

The Speaker: The question is that the House do now adjourn until Wednesday morning, the 3rd of July, at 10 o'clock.

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

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned.

AT 5.08 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM, WEDNESDAY, 3RD JULY, 1996.

**EDITED
WEDNESDAY
3RD JULY, 1996
10.06 AM**

The Speaker: I will ask the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation to say prayers.

PRAYERS

Hon. Anthony Eden: Let us Pray.

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

Bless our Sovereign Lady Queen Elizabeth II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated.

Order. Proceedings are resumed.

Questions to Honourable Members/Ministers. Question No. 63, standing in the name of the Fourth Elected Member for George Town.

**QUESTIONS TO HONOURABLE
MEMBERS/MINISTERS**

DEFERRED QUESTION NO. 63

No. 63: Mr. D. Kurt Tibbetts asked the Honourable Third Official Third Official Member responsible for Finance and Development what was the figure for General Reserves as at 30th November, 1992 and what is the projected figure for 31st December, 1996.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: The General Reserve balance as at 30th November, 1992, was \$10.2 million. During 1993, interest and valuation gains on the General Reserve were \$0.3 million and the sum of \$7 million was transferred out to help finance the 1992 deficit balance of \$7.1 million as at the end of 1992.

The balance of the General Reserve remaining at 31st December, 1993, was therefore \$3.5 million.

During 1994 a sum of \$0.4 million was transferred into the General Reserve out of the 1993 surplus. Interest and valuation gains during the year were \$0.1 million, producing a 1994 year end balance of \$4 million.

During 1995, interest and revaluation gains were favourable at \$0.4 million, producing a 1995 year end balance of \$4.4 million.

Based on current interest rates the balance of the General Reserve projected to 31st December, 1996, is \$4.6 million.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Could the Member say if during this time any amounts were transferred into the General Reserve, outside of interest earned?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: As I pointed out, there was a transfer during 1993 of \$0.4 million from surplus.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: My apologies, my supplementary meant after that transaction took place.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: No, Madam Speaker.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: At any point in time since that, have any funds been taken out of the General Reserves?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: No, Madam Speaker.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: For purposes of clarity, is it fair to say that since the \$7 million was transferred out of General Reserves to finance the end of year deficit for 1992, that the account has basically been dormant with the exception of interest earned?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Dormant with the exception of the \$0.4 million transferred into the account.

The Speaker: The next question is No. 77, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 77

No. 77: Mr. Roy Bodden asked the Honourable Third Official Member responsible for Finance and Development to state how much import duty did Caribbean Utilities Company pay on diesel fuel imported during the period 1st January 1993 to May 1996 with a breakdown by years.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Caribbean Utilities Co. Ltd. (CUC) does not import diesel fuel directly, but purchases its fuel locally from the two bulk petroleum companies. As a result, the Customs Department does not maintain a separate record for CUC.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Member say if the figure for the amount of the import duty on diesel used by CUC is available?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: The figures could be made available, but it would require an inordinate

amount of work in order to extract the figures. We could undertake to do it, but it would mean that the Collector of Customs would have to assign a staff member in order to obtain those figures.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Honourable Member have the figures for the total amount of duty collected for diesel, on an annual basis, since 1st January, 1993?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: I do not have those figures available at this time, but they could be obtained.

The Speaker: The next question is No. 78, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 78

No. 78: Mr. Roy Bodden asked the Honourable First Official Member responsible for Internal and External Affairs to state the total number of applications pending on file for permanent residence (with the right to work) and Caymanian Status as at 31st May, 1996.

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. James M. Ryan: The total number of applications pending on file for permanent residence with the right to work and Caymanian Status, as at 31st May, 1996, is as follows: Applications for permanent residence with a right to work - 86; Applications for Caymanian Status - 146.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Member say how many such applications are processed for the two categories in the ordinary run of a year?

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. James M. Ryan: I do not have the figures for both categories. I know that for permanent residence in 1995, there were a total of 245. I do not seem to have the figures for status. If the Member wishes, I can provide that in writing.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Could the Honourable Member say how far back the applications that are pending for Caymanian status go?

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. James M. Ryan: The Immigration Board deals with applications for Caymanian status, that is, in those categories that can be dealt with, on a regular basis. But we do have applications on file for Caymanian status where there is a quota. Some of those could possibly go back quite some time.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: I take it that "some time" means a few years. Could the Member say what quotas are in place for any categories for Caymanian status and at the same time, could he say what quotas were in place prior to this that are not in place now?

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. James M. Ryan: There are basically two areas where there have been quotas. There is one on status as a result of becoming a British Dependent Territory Citizen. If memory serves me right, the quota is 12. On the grounds of residency, there used to be a quota on that, but there has been a moratorium for the past few years, at least since 1992, if not before. That moratorium remains in effect.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: This is obviously a Government policy. Could the Member state the reasoning behind that quota being dropped?

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. James M. Ryan: I am not in a position to say this because the last Government had a moratorium on it, and the present Government has a moratorium on it. I am not in a position to answer that.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Member explain if a moratorium is on the submission and receipt of applications, or if it is on the applications being decided upon?

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. James M. Ryan: The moratorium is on applications being decided upon.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Could the Member explain the procedure for an application? Is it screened by an individual before going to the Board, or do all applications go to the Board?

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. James M. Ryan: When an application comes in it is examined by a section of the Immigration Department to ensure that all documentation is in place. The Immigration Board will then advise the Department when they are ready to deal with the application. All applications, unless there is a moratorium on a particular application or group of applications, would go to the Board.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: The Member said that they are done on a regular basis. Can the Member say if the applications are put all together, or are they done on a quarterly or monthly basis?

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. James M. Ryan: Applications for work permits would take priority because of the urgency of having this type of application dealt with. But applications for permanent residence and status would normally go before the Board on a quarterly basis, or if there is a slack period in applications for work permits. Just for information, a number of the applications which I mentioned in the substantive answer were processed by the Board on the 10th of June this year.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: I think the Honourable First Official Member responsible for Internal and External Affairs stated in an earlier answer to a supplementary that there is a quota for the grant of Caymanian Status under the category of British Dependent Citizen. Can the Member say what that quota is?

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. James M. Ryan: I did name a figure, but that was subject to memory. I believe the quota is 12. I would have to check that.

The Speaker: This will be the last supplementary. The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: I thought that I heard that, and I asked the question because my memory tells me that the other quota (for which there is a moratorium) was 12. I was simply wanting to confirm that the magic number was 12 on an annual basis for both quotas. Can the Member confirm that?

The Speaker: The Honourable First Official Member responsible for Internal and External Affairs.

Hon. James M. Ryan: In the case of status on the grounds of residence, the quota would be set by the Government. It may not necessarily be 12, it could be 10 or whatever the Government sets. At one stage it may have been that the magic number was 12.

The Speaker: The next Question is No. 79 standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 79

No. 79: Mr. Roy Bodden asked the Honourable Minister responsible for Agriculture, Environment, Communications and Works what royalties have been assessed against the dredging of the turtle grass in South Sound.

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: It is with regret that the Ministry finds it utterly impossible to provide an answer for such an open-ended question, as it does not state any particular project.

SUPPLEMENTARIES

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Can the Honourable Minister state if in the recent dredging of the Turtle Grass in South Sound the applicant was assessed at any time the amount of \$30,000?

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: The supplementary is not in keeping with the original question. I cannot answer it.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Minister tell the House what amount of dredging was carried out in the South Sound area during the past year to date?

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: If the Member wishes to put a substantive question to that effect, I will be happy to answer it. I cannot give the answer at this time.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Minister say if the formula for assessing royalties on dredging of turtle grass is the same as that used for dredging marl?

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: With due respect, I cannot see the relevance of the supplementary to the original question.

The Speaker: The next question is No. 80, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 80

No. 80: Mr. D. Kurt Tibbetts asked the Honourable Third Official Member responsible for Finance and Development (a) to advise the revised figures of Capital and Recurrent Expenditures for the period 1st January, 1993 - 31st December, 1995; and (b) the total amount of Capital and Recurrent expenditures committed for the period 1st January - 31st December, 1996 (including supplementary).

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: As requested in part (a) of this question, the revised figures for Capital and Recurrent Expenditure for the period 1st January, 1993 to 31st December, 1995, are as follows:

- 1st January, 1993 - 31st December, 1993 - \$8.5 million Capital Expenditure and \$133.1 million Recurrent Expenditure.
- 1st January, 1994 - 31st December, 1994 - \$18.1 million Capital Expenditure and \$126.8 million Recurrent Expenditure.
- 1st January, 1995 - 31st December, 1995 - \$20.3 million Capital Expenditure and \$131.7 million Recurrent Expenditure.

As the actual expenditure figures are now available for these years perhaps the Member will find these more useful. The actual expenditure figures are as follows:

- 1st January, 1993 - 31st December, 1993 - \$9.4 million Capital Expenditure and \$130.6 million Recurrent Expenditure.
- 1st January, 1994 - 31st December, 1994 - \$18.1 million Capital Expenditure and \$132.5 million Recurrent Expenditure.
- 1st January, 1995 - 31st December, 1995 - \$23.5 million Capital Expenditure and \$137.9 million Recurrent Expenditure.

As requested in part (b) of this question, the total amount of Capital and Recurrent Expenditures committed (that is, appropriated) for the period 1st January to 31st December, 1996 (including supplementary), are \$40.5 million and \$162.4 million respectively.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: From the answer to part (a), as outlined yearly, could the Member say of the capital expenditure indicated on an annual basis what amounts were dealt with by way of loans?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: For the year 1994, of the \$18.1 million, warrants against that were in the region of \$8.1 million. The only other borrowings that have been entered into are those for 1996 which, as set out in the Budget presented to the House in the later part of last year, is approximately \$16.2 million. With the Loan Bills presently before the House, those borrowings amount to \$12.3 million.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: For purposes of clarity, is the Member saying in the last part of his answer that the \$16.2 million as indicated in the 1996 Estimates, and the new Loan Bill which will total just over \$12 million, is a part of the \$40.5 million in part (b) of the answer?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Yes, Madam Speaker.

The Speaker: The next question is No. 81, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 81

No. 81: Mr. D. Kurt Tibbetts asked the Honourable Third Official Member responsible for Finance and Development to provide projected capital expenditure figures for the year ending 31st December, 1996, including new loans, supplementary expenditure, the Harquail bypass road, the restoration project at Pedro St. James Castle, and any other committed capital expenditure for the same period.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Thank you, Madam Speaker.

The Capital Expenditure projections to year-end 1996 indicate likely expenditures of between \$35 million to \$42 million. Honourable Members should note, however, that these projections are based upon current expectations and are subject to change as the year progresses.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: The answer to part (b) of question No. 80, which includes the total amount of capital and recurrent expenditure committed (the figure for capital expenditure is \$40.5 million), did not include the projected capital expenditure for those areas mentioned in the question that is now being asked, namely, the Harquail bypass road, the restoration project at Pedro St. James Castle and any other committed capital expenditure.

That answer, without those amounts, was \$40.5 million. This answer ranges between \$35 million to \$42 million. Can the Member say, taking into consideration the Harquail bypass and the Pedro St. James Castle projects, how those figures compare when one actually is a defined \$40.5 million, and the other is between \$35 million and \$42 million including other projected expenditure?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: The figures of \$35 million to \$42 million embrace the two projects the Honourable Member has just mentioned. It is estimated for the Harquail bypass that the range of expenditure during 1996 will be in the region of \$1.5 to \$1.8 million. This is not taking into account the overall cost of developing the project, this is looking at the expenditure that is likely to be incurred during 1996.

For the Pedro St. James Castle, the amount of expenditure likely to be incurred (disbursements) will be in the region of \$1.125 million and \$1.35 million.

These figures were arrived at by the Budget Unit, the Deputy Financial Secretary and the Public Works Department looking carefully at the figures and estimating the range of projects through the end of the year, taking into account what is likely to be accomplished despite the financial provisions.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Is the Honourable Member saying that the new method by which the Government borrows money is only on what will be spent on an annual basis?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: This is not what I am saying.

As the Member will recall, we have had many instances where projects have been outlined to this Honourable House both in the Budget Meeting and in Finance Committee Meeting. These have taken into account instances where the overall cost of the project is aligned to the amount of financing that will be required. On other occasions there are cases where the borrowings are aligned with the likely expenditures to be incurred against certain projects.

The Speaker: The next question is No. 82, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 82

No. 82: Mr. Gilbert A. McLean asked the Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture how the CI\$986,000 for a cricket pitch in West Bay will be expended.

The Speaker: The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: The CI\$986,000 was not allocated for a cricket pitch in West Bay, or anywhere else for that matter.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Honourable Minister tell the House what the CI\$986,000 in the Budget was for, since it stated that it was to be used for a cricket pitch? What was it there for?

The Speaker: The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: The Member is not telling the truth. It is public knowledge. If the Member looks at the Minutes of Finance Committee he will see the correct answer given there.

Approval was given for \$419,000 to cover the cost of a cricket facility and \$567,000 to cover the additional cost of community parks. That is on page 26 of the Finance Committee Minutes of 13th May, 1996.

I have explained this matter over and over to those Members but they still say that \$986,000 was voted for a cricket pitch (as they call it) in West Bay. I do not know what else I can say to the Member or to this House.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: The Minister has stated that in this \$986,000 there is an amount of \$400-odd thousand for a cricket pitch. The question attempts to find out how this will be expended - will it be for asphalt, for paving, for fill and so forth and so on.

The Speaker: The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: If the Member was honest with the House and with the public the question would have asked what the \$419,000 was for. But they have been on a band-wagon throughout this country, putting a question suggesting that the \$986,000 is for a cricket pitch in West Bay. That misleads the public.

If he wanted that information, that was given to him before. I ask Members to be honest with themselves and with the House and ask the questions correctly and stop talking foolishness.

The Speaker: The next question is No. 83, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 83

No. 83: Mr. Gilbert A. McLean asked the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation what the total cost of the two new "temporary" buildings constructed for pathology and dialysis on the George Town Hospital site was.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: The total cost of the two temporary buildings constructed for Pathology and Dialysis

was approximately \$210,000. These buildings were needed for Pathology and Dialysis because the old buildings they occupied had to be demolished to make room for construction of the new facility and there was no other spare space in the present hospital facility. This has been provided for since the inception of this project and the cost is included in the cost of the overall project.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Could the Honourable Minister say if the two buildings which have been constructed will have any use after their usefulness as temporary buildings is completed?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Yes, many people have expressed interest in these buildings and they can be used in the future.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Does this \$210,000 just include the buildings themselves, or does it include any equipment?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: It is a combination of both.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Will the equipment that might be included in this cost have any usefulness in the hospital that is supposed to be built?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Yes, most of this will be used, especially the dialysis, etcetera.

The Speaker: That concludes Question Time for this morning.

The statement which was to be given by the Honourable Minister responsible for Tourism, Aviation and Commerce, will be put down for a later Sitting.

Government Business, Bills, Second Readings. Continuation of the debate by the Fourth Elected Member for George Town on the Loan (Capital Projects) Bill,

1996 and the Loan (Capital Projects) 1993, (Amendment) Bill, 1996.

GOVERNMENT BUSINESS

BILLS

SECOND READINGS

LOAN (CAPITAL PROJECTS) BILL, 1996

-together with-

LOAN (CAPITAL PROJECTS) 1993 (AMENDMENT) BILL, 1996

(Continuation of Debate thereon)

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

When we took the adjournment I had just commenced my contribution to the debate on the two Loans Bills before the House. I had started making some comparisons in the Budget of the Estimates for 1995 and 1996.

First of all, I wish to make a correction. When I said that there were no funds in the 1996 Estimates for school buildings, I was referring to 51-122, Local revenue, School buildings. There actually were funds allocated under 52-122, School buildings, which is local loans. I wish to make that point clear before someone says that I was misleading this Honourable House.

As we go through the two Bills, and before I continue to draw these comparisons, in studying them further I noticed something which I think I need to draw to the attention of this Honourable House. If I am correct in what I am about to say, then I would like for it to be corrected as soon as possible.

First of all, my understanding of the purpose of holding a Finance Committee meeting is for the Committee to give the authority to spend. I question why, now that there are these two Loan Bills here in front of us, exactly how and why the procedure was such. I now have an understanding of it. As I just said, Finance Committee gives the authority to spend and the purpose of the Loan Bills which we are now debating is to give the authority to borrow. There is clearly a difference in the exercise - one gives the authority to spend, the other gives the authority to borrow.

Having said that, going back to the Finance Committee meeting of May 13th, the Honourable Financial Secretary, in a memorandum which he passed out, detailed information with regard to the way the funds were going to be appropriated. In that memorandum he discussed the total amount of \$12,456,834 from a listing of several categories.

He further went on to explain that the capital projects were to be funded by local loans totalling \$12,456,834, of which \$2,046,566 was going to be derived from the Loans (Capital Projects) Law 1993 (because that said amount had not been drawn down), and

from a new Loans Bill would be an amount of \$10,410,268.

In correcting the agenda afterwards, an amount of \$1,145,000 was deducted from the original amount of the new Loans Bill which would have left a total of \$9,265,268 - what the new Loans Bill should have been.

My understanding of where that \$1.45 million has come from is in the initial agenda for the Finance Committee of May 13. The figure quoted for the new Mail Sorting Building at the Airport was \$2,345,000, but it was deemed (and it is my understanding) that only \$1.2 million would be expended this year, therefore \$1.45 million was to be taken out. That is my understanding of what transpired.

Remember that I said earlier on that my understanding is that Finance Committee is to give the authority to spend and a Loans Bill gives the authority to borrow. Therefore, it stands to reason that if Finance Committee has given the authority to spend a certain amount of money, the Loans Bill would have to correlate to that amount in order for the authority to borrow to coincide with the authority to spend. If there are any variations in the Loans Bill to what Finance Committee agreed on, it means that we will be giving authority to borrow money that we do not have the authority to spend.

I noticed a few speakers before me mentioning that there was money in one of these Loans Bills to do the capital projects at the George Hicks High School. Going through it, I see where there is an amount in the larger of the two Loans Bills under number 6 of the Schedule (52-122, Local Loans) for school buildings, \$1.42 million. Nothing was brought forward in Finance Committee about this \$1.42 million.

Let me interject here to say that while it is very late in the day, I have no problems with work being done at the George Hicks High School. Let me also quickly say that it is my belief that there is something wrong with the process. Whatever transpires at the end of the day with these Bills, and unless someone is prepared to give a correction (I am never averse to giving way to a better understanding), my understanding is that something has to take place in order for that \$1.2 million to be spent.

What really shocks me (I should not say shock, I should say surprise)... what really surprises me is that on May 13th, when we came to Finance Committee there was no discussion about anything to be done at the George Hicks High School. I remember making a note in the original agenda when I saw the two amounts for the George Town Primary School, the \$713,000, and by the Red Bay Primary school I put a little note 'What about the George Hicks High School?'. Nothing was said.

Then the PTA wrote a letter in the newspaper and there was a back and forth argument because of their understanding from a couple of years ago of things that were to be done at the George Hicks High School and nothing was done. I believe that it is fair comment at this point in time to say that when a little hell is raised some-

one starts to pay attention. So coming now in the Loans Bill is \$1.42 million for the George Hicks High School.

It is a pity that the process has to be like that in order for certain things to get done. But having said all of that, I wish to reiterate that I am happy to know that there is some intention to do certain very necessary things at the George Hicks High School. I have no idea on the details of how the \$1.42 million is going to be spent, but, again, that is not strange, we hear of these things. I guess some people figure that those who need to know will know, and those who do not need to know will not know.

Before I leave the subject of the George Hicks High School, there is also a point that I wish to make. I remember on more than one occasion when certain things were supposed to happen at the George Hicks High School and nothing was being done, it was said that the reason why certain capital works were not done at the George Hicks High School was because the Planning Department had made it quite clear that there would be no further construction allowed at their institutions until a central sewerage plant had been erected and installed to accommodate the various Government schools in that area, including the Community College.

For ease of reference, I will use the Estimates. In the 1995 Estimates, under 51-119, Public Buildings, there is a section which says, "**Waste Water Treatment Plant for the John Gray High School, the George Hicks High School, the Community College and the centralised facilities of the George Town Sports Complex.**" This is in the 1995 Estimates which was prepared and delivered here in November 1994.

In that section regarding the Waste Water Treatment Plant there are no funds in the 1995 Estimates, but in the projected sections, there was projected for 1996 \$300,000 and for 1997 \$400,000. That means that by November 1994 somebody was thinking about the Waste Water Treatment Plant. The fact of the matter is that the Water Authority first advised about this. If I am not being very bad about the time, I suspect that it was sometime in 1993 that the Government was advised about the Waste Water Treatment Plant.

Even so, the document for the 1995 Estimates proves that in November 1994 there was knowledge of the necessity to construct this Water Treatment Plant. Then, we look into the 1996 Estimates, nothing is there for the Waste Water Treatment Plant, yet we hear that the capital works cannot be done because Planning has stymied the efforts by stating that no approval would be given until such time as a Waste Water Treatment Plant is constructed. It is a paradox. Planning is blamed...

Hon. Truman M. Bodden: Madam Speaker, may I take a point of order?

The Speaker: The Honourable Minister responsible for Education and Planning.

Point of Order

(Misleading)

Hon. Truman M. Bodden: The point of order is in relation to misleading. The Central Planning Authority has now approved the George Hicks High School buildings. I would just like to make that clear to the Honourable Member.

The Speaker: The point has been made, and I think it is a valid point of order.

Mr. D. Kurt Tibbetts: With the greatest of respect, I was going back into time to prove a point. I am not questioning that the approval has now been granted. My point has nothing to do with a very recent approval, I have gone back to November 1994. I will prove my point before I am through.

The Speaker: If you are making an analogy, please continue.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

I appreciate the fact that at this point in time Planning Approval has been granted. The point that I was making was that the excuse that was given prior to the sudden hurry to get things done in the schools, including the George Hicks High School - and specifically the George Hicks High School - was the alleged fact that Planning had stopped the effort because a Waste Water Treatment Plant had to be constructed.

I have proven that in these 1995 Estimates, in November 1994 there was knowledge that this had to be done. After saying 'no' to it now, I am assuming that in the big scheme of things this includes a Waste Water Treatment Plant... and this is now July 1996 - suddenly, it is to be done. In all the points that I prove, regardless of the fire and brimstone to come afterwards, I wish to make it very clear that the things which are being done now are things that I am very happy about. I just wish that priorities were laid in better order so that it would not happen in the fashion in which it is happening now. That is the point I wish to make.

When the Honourable Minister attempted to make a point of order, I was about to say that it is almost comical to know that Planning was supposedly the cause for things not happening, when in actual fact it was the lack of planning that was causing it.

Going on to other areas of the Loan Bills, I wish to once again directly request the Honourable Financial Secretary to do what is necessary in regard to the amount for the George Hicks High School so that people like myself are not blamed for trying to hold up the works. I have made that point in good faith.

It took me a little while to clarify the Memorandum of Objects and Reasons on the smaller of the two Bills, but I understand what is happening. The initial amount in the Loans (Capital Projects) Law, 1993, for the Community College buildings was \$2,634,000, of which \$2,046,566 had not been drawn down and used. So that

figure was divided and the school buildings for the four classrooms for the George Town Primary and the Savannah Primary schools (a total of \$1,435,306) and the \$611,260 which was added to the sports centres and parks is what has made up that amount.

After lots of hollering, begging and pleading, I am very happy to see that the classrooms are being constructed at the George Town Primary School and the Savannah Primary School. I do not know if they will be completed by September, but the consolation is that they will be built.

In a little while I am going to compare the 1995 and 1996 Estimates and try to prove my line of argument to show that it is my belief that many priorities have been misplaced.

Going on to the larger of the two Loan Bills, as we go down the list, number 2, section 3 (which is the Schedule) we find 52-106 (these are all local loans), Construction of roads - \$4,050,000. I think I can safely say that on more than one occasion in this Honourable House I have put forward the idea of long-term planning in all areas. I do not claim to be the expert, but when I examine certain areas it is obvious to me that some type of planning is vitally necessary for this country.

I do not think I can count the number of times since November 1992, when this Government was elected, that I have stated that we need to talk about some kind of national plan for roads. The old situation always creeps up, and there are lots of arguments thrown about regarding the Master Ground Transportation Plan. I do not want to get into that because what happened, happened. I am not going to debate the rights and wrongs of that plan. I was not here at the time.

It is obvious to me today that we need some type of long-term planning if we are ever going to find ourselves anywhere near what the infrastructure should be with regard to roads. For all of the money spent in the past four years on roads, there are hardly any new roads, if any, and we still have the majority of the roads in this country at death's door. I am not just saying that to say it; the professionals who know have said it - the majority of the roads in this country have almost lived out their entire life.

If a vehicle is regularly and properly maintained it will last much longer and cost much less. The same with our roads. If there were a plan in place to enable us to deal with our situation on a regular basis, we would get more value for our money and we would not end up (as it is going to if nothing is done about it) where we have to completely re-do huge sections of roads in this country.

Let me make it clear. My understanding of my responsibility here is to point out to whoever the Government is (whether it be elected, official or altogether) things which are necessary for this country. Fortunately, or unfortunately (depending upon who is looking at it), I am not a part of the process of policy-making, therefore, I have to place the onus on the policy makers when it comes to my interpretation of the lack of planning in

whatever area it may be. At this point in time I am discussing roads.

As money has been spent in the various districts, and I have made the point more than once (and I have to quite rightly say that the lady Member sitting next to me has also made the point on more than one occasion), the district of George Town, the hub, where everyone commutes on an almost daily basis, has to have the most used roads. It is also fairly obvious, given the comparative area with other districts, that there are more roads in the area of George Town than anywhere else. But we are left behind. We go on road visits, we sit with Public Works, we get a long list of priorities; but we never have the money to deal with it.

We keep getting small amounts, for which we never get value for money. Those small amounts are what I call penny-ante amounts. There is always a rush to get things done, and at the end of the day we never see anything of any real magnitude where we can say we have accomplished this in the district for roads.

I know, from the parochial side of politics, that each district fights for its own. I, too, have tried to wage battle for my district. Unfortunately, I do not have the access, as others have, so I can only fight on the front afforded me. All of these years we have been dealing with various roads that really need to be dealt with.

Before I go on to talk about this specific amount, let me say that when I talk about long-term planning (and it is not the first time this is being heard), I believe that this country would be a lot better off if there was some type of national plan put in place. Even if we do not think that we are in a position at this time to address new arterial roads and connecting roads, the fact is that it is vitally necessary for us to deal with our existing roads to get them up to par. Otherwise, it is going to cost us several times over down the line.

I firmly believe that if we added up what we spent on roads every year, and if we were to engage in reasonable, prudent borrowing over a period of time, even if it were five years, and Public Works had a national plan to deal with going from point 'A' to point 'Z'; if the people of the country knew that their turn would come and the areas that they live in would be done, then, while they might get anxious at times, they will not go overboard to the tune that they are today. The way they figure it today, it is what connections they have, and how loud they can holler that will ensure their getting something done for them. My opinion is that the thought process engendered is 'What has my representative done for 'ME' lately?' Lost in all of that is 'Where is my country going?'

If we were to deal with something at a national level, we would know which roads would be done, we would have our projected cost and it could be done in a uniform fashion. I can just about guarantee that the amount which has been spent on roads annually for the past few years would more than service a loan to do what we have to do. By the time we would have completed what we need to do to bring the existing roads up

to par, we will just about have paid for that loan. We could continue with a revolving facility and properly plan as we go along.

I am not an expert, but I know that what I am saying makes a lot more sense than the way it is being dealt with.

It is really unfortunate that the politics of today dictate that there are no acceptable levels where we can talk about our national good while not dealing with personalities or taking sides. It just keeps eroding more and more. There was a time when there was an unwritten rule that one could deal with certain things, then, after that, get into the politics, the who looks better than who, and the upstaging. It is fast waning and doing this country no good.

With regard to the construction of roads, I will quickly say (again, to make a point) that if we examine the Public Works Department and the deployment of its manpower and equipment, if they were given a chance to really speak their minds and say what they know to be the correct way, the amount of man-hours and equipment time that is wasted would amaze us. That is real money. Those people are being paid to operate the equipment.

This is no problem to them. Even if it were being done right, they would still be there working and getting their daily pay. The question is not that they have to do it that way in order to have work. If we had a plan they would pass through four generations before asking if there was anything else left to do. The amount of work is not the problem.

Using hypothetical names, say that I represent one end of the island and the lady Member next to me represents the other end of the island. We want to be seen as doing our jobs in our respective constituencies. The way it now operates (and I have seen it happen more than once - and these people have no reason to make up stories)... the Public Works Department is located in the district of George Town. There is a little plan for them to go up to the east end of the island out from my district, and they have agreed to do certain works. All of a sudden there is a call from the lady Member from West stating that she wants something done now, that she has promised this, that and the other thing. Remember, Madam Speaker, I am speaking hypothetically, so the names are fictitious.

The Public Works Department then has to redeploy the equipment and the manpower all the way down to the other side of the island to get something done, then go back a week later to finish what was started. That is because there is no plan.

It may seem that my intentions are negative towards this Loans Bill. Let me tell you what I really think. I believe that my country is a good country. I believe that the people of my country are good people. I believe that the people who have been extended a welcome here, who are not indigenous, are also good people. I believe that we all want what is good for this country, including the Government that I might find myself at variance with

this morning. This country has as much potential as any other fast-growing little nation that I can think of. In fact, it has more potential than some of the larger ones because even with our mounting problems we are still not at the stage some of them are today.

In saying all of that, we need to change the way we have been operating. From the little bit of experience I have been able to acquire in dealing with this process, I firmly believe that. It is no longer good enough to say that we will deal with certain things when we get to them. I contend that somewhere along the line the Good Lord has looked out for us more than anybody else. With all of the things we have done in the past and all of the achievements we talk about, we have never, ever seen any kind of plan that is all-encompassing. It is always a plan about the right hand, about the left hand, about the right foot, the left foot; but we never talk about the whole body. The day that it catches up with us, the professionals who work in Government (who get the blame for everything) are not even going to be afforded the comfort of saying 'I told you so', because they are going to be scrambling like all of us to try to find the solutions we should be looking for now.

I have finished up with roads. I believe that I am not being unfair to say that as one of the representatives of the district of George Town, regardless of where I find myself voting on any procedure in this Honourable House, I have been the best representative I know how to be. I have cooperated, by and large, with the other representatives of the district.

I am constantly reminded when the meeting for Finance Committee comes, and the \$4,050,000 for roads is being voted on - of which my district ends up with \$2,650,000 - that I represent the district of George Town. So it is certainly in my interest to support the amount of money for the roads. I say to myself that I wish it were being dealt with differently, but I do not know what is going to happen between now and November. It is at least possible to get something done. Hopefully, whether the Government changes, or does not change, somebody will start to plan. I agree to the amount of money for roads, recognising that I am only one of 15, and that at the end of the day it probably will not matter, but wanting the knowledge that I have done what I believe is right.

The Speaker: Would the Honourable Member take a suspension at this time?

Mr. D. Kurt Tibbetts: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.34 AM

PROCEEDINGS RESUMED AT 12 NOON

The Speaker: Please be seated.

The Fourth Elected Member for George Town, continuing.

Mr. D. Kurt Tibbetts: In discussing the \$4,050,000 for the construction of roads in the Loans Bill, I was specifically targeting the \$2.65 million approved in Finance Committee for the District of George Town. Although I recognise that I am but 1/15 of the authority in Finance Committee, I voted in good conscience for these funds because I firmly believe (as I said earlier) that the district of George Town has been especially suffering from a lack of attention to road works.

The Speaker: May I ask the Honourable Member not to repeat what he has already said?

Mr. D. Kurt Tibbetts: Going on, I was under the impression that, as has usually been the case, the Elected Members for the district would have got together (knowing that there would be \$2.6 million available to do road works) to sit down and arrange the necessary road visits to prioritise this spending. I asked several people when this would take place and I kept hearing "very soon", only to discover during this sitting that the road visits were done, and that a meeting with the Public Works Department and the Ministry of Communications and Works had taken place. Then the Third Elected Member for George Town actually called out a list of roads which should begin in the month of July.

Let me make the reason why I am stating what I am this morning clear. I fully understand the game by now. I cannot truthfully say that if the roles had been reversed I would have handled that in the same way. I do not really think that I would have. I think I can safely say that I am not like that.

Even if that is the way the Government decided to put me, the Fourth Elected Representative of George Town, on ice - because it is pretty close to election and they do not want me to be part and parcel of a situation that I might be given some credit for - I can understand that. But what I wish to make clear to the people of my district with regard to this section of the Loans Bill is that come November, what has been done out of this will have been done, and what will not be done will not be done. I wish to make it clear that I was not allowed to participate in the process. So what is good will be good, and what is not good will be bad. But my point is that, unfortunately, the way the system works it does not seem to be mandatory for all representatives to participate in the decision-making process with regard to how money is spent in the districts.

I heard that this has happened in the past and this is how it is when situations are reversed. Frankly speaking, I could care less. I feel that even though I am only the Fourth Elected Member for the district, and I did not get in on a ticket with the National Team, that as a representative my rights should be preserved. In previous years the situation was such that all of the Members for the district got together with whatever small amounts

were available to be spent, and a consensus was taken and decisions were made. That has not been the case this time. If it is the Government's wish that this be the case, then so be it. I just wish to be absolved of anything which is not done correctly in the minds of the people of the district.

Before moving off of roads, and just to cap it off, I again say that even with this approved amount the rush is going to be on. It is known and accepted that whenever things are done in a hurry they are more liable to not be done properly. If there were any thoughts given to these roads works and money was put in place gradually, or if wisdom prevailed where some type of long-term planning were put in place, then I am safe in saying that the country would have its money better spent.

Moving on to Harbours and Docks. Thirty-seven thousand dollars were approved in Finance Committee and will be coming under a local loan for some type of rectification of the channel on the south side of Cayman Brac. Unless memory fails me, there have been several attempts to rectify certain dangers with the south side channel in Cayman Brac over the past few years. I trust that this money which has been approved will achieve what is hoped for.

I did not get a chance to search the records to determine the amount that has been spent on this channel, but the point that I am making is that it seems like this effort is a vicious cycle, because every time funds are allocated we think it is over, and funds are asked to be voted again. I do not know what exactly the problem is, I just hope that somebody can get it right.

A thought just occurred to me. I think the analogy here is very similar to the line of argument I have been trying to put forward this morning. If there is something wrong with that channel, if it were done correctly and taken care of, then we would not have to be dealing with it on several occasions. I only wish that I was more informed. Unfortunately, I am not. I think it is obvious from the end results that whatever has been done in the past has not worked. I trust that we will not see a need for this again. I understand the value of safe passage through that channel, and I have no qualms about seeking for it to be fixed in the proper manner. I keep wondering, when it comes to these types of approvals, why we have to go back and forth. It seems like it is far enough away from us that we cannot grab hold of it.

The next item in the Loans Bill is 52-119, Public Buildings. If I am not mistaken, the amount of \$709,774 is comprised of \$650,000 for the new building for the Department of the Environment, and \$59,774 makes up the balance. The approved amount of \$650,000 in Finance Committee was being sought to cover the cost of completion of the department's new building and improvements to the MRCU airport facility. In the 1995 Estimates there was nothing under the 52-119 section (meaning local loans, and 51-119 means local revenue for public buildings) for this specific project, the estimate for 1995 was \$640,000. The projected figure for 1996 in

the same Estimates was \$250,000 and there was a projected figure for 1997 of \$150,000. In the 1995 Estimates we have three different projected figures under local revenue - \$640,000 (for 1995); \$250,000 (for 1996); \$150,000 (for 1997).

When we compare the 1996 Estimates under 51-119 (local revenue) there was nothing. There was a change of thought in the 1996 Estimates with the completion of this structure, and it is obvious that there will not be enough money from local revenue to complete the project. We see in the local loan section (under 52-119) an estimate for 1996 of \$1,200,000. To be fair, and not to twist the picture, the estimate for 1995 was \$640,000 (under local revenue); in 1996 there is a revised figure (which according to my interpretation is what was spent in 1995) of \$300,000 in the local revenue section. But there is nothing in the local revenue for what is to be spent in 1996. That comes under local loans - \$1,200,000.

In 1995 it was estimated that if it worked the way the projections said, for 1995/1996, with completion in 1997, there would be \$1,040,000 spent to complete the project. What I do not know is if the building that we had the big fight about (which has suddenly disappeared!) was included in that projection. Let us assume that it was not. Here we have in the 1995 Estimates \$1,040,000 estimated to be spent over three years. By 1996 \$300,000 has been spent and then the Estimates for 1996 has \$1,200,000.

If that is correct and it is working as it should, that tells me that when we got the 1996 Estimates in November of 1995 it was projected that instead of costing \$1,040,000 in 1995, it will cost \$1,500,000 at the end of the day, which is \$460,000 beyond what was projected. That is bad enough. Then, on May 13th in the Finance Committee agenda under 52-119, there is a request for another supplementary appropriation of \$650,000 to complete it. I understand that there were some over-runs, and I understand that these things are possible. The picture painted here this year is that instead of \$1,040,000 to be spent on a specific project, we are looking at \$2,150,000. That is more than 100% above the projection.

Another thing that I am not sure about is whether the initial projections involved any land. I doubt it because that is another section. So we are not addressing land cost. The point that I am making is that in one year we are talking of an increase of almost 110%. It is not who to point a finger at for the problem, because when all of that is over and the finger-pointing is done, this country still has to pay. If there is any type of proliferation... That explains all of the jumbling, and the bobbing and the weaving to get the figures presentable.

As to where the responsibility lies for the over-runs, I know all the possibilities, but I do not think I need to go through them. I am just saying that if we have a capital project and the figures for the estimates are presented as a certain amount, and at the end of the day it ends up being twice that amount... how, in God's name, can

we deal with everything, or do any type of sensible projection as to what our income is going to be, or what we will be able to spend and how we will spend it?

If this is an isolated incident (which I hope it is), then let us hope that somebody learns from this experience. If it is not, then I feel truly sorry for the Financial Secretary and his Department. I wish for him not to feel sorry for himself, but I meant what I said. The point is how can all of these things occur, considering the way I believe the country should be planning for its future, if this is the way we end up - with funds being allocated and twice that amount being spent to complete the project?

Moving on to number 5 of the schedule, which is the purchase of lands, there are several items under 52-120. The amount approved in Finance Committee (the same amount coming forth in this Loans Bill) is \$220,518. This comprised 13 items. The narrative regarding these items was basically a one-liner for each one, with the exception of number 13. Let me say how I feel about an item such as this coming to Finance Committee.

Everyone is busy trying to keep up. I do not think anyone is excluded from that. Responsibilities are relative, but everything that each one of us has to do still takes time. My feeling on this section of the agenda is that when I am asked to play my part for voting for funds of this nature, the least that should be given to me is some type of explanatory note, if nothing more, for each individual item. Because the figures are not huge amounts does not mean that we should fall into the trap of it being no big thing, but when we get to the big amounts we jump back and say, "What is this?". All of those figures add up and are reflected in the total amount.

As far as I am concerned, when it comes to purchase of lands, regardless of the amounts, whether controversial amounts or small amounts, I believe that there should be some type of clear policy developed whereby when Finance Committee is being asked to vote for the purchase of lands, each portion of land is clearly understood - the reason it is being purchased and the purpose it will serve. As tenuous as it seems, there should be valuations accompanying the individual items so that the normal political animal is not allowed to rant and rave and question because information has not been immediately forthcoming. That is my first general observation.

I was told awhile ago from across the floor that all of the explanations were made during the Meeting of Finance Committee. I have the Minutes here. Let me tell you without going into detail that when it came to sub-head 52-120, Local Loans/Purchase of lands \$2,221,518, they were all one liners. It was read out exactly the way it appeared in the agenda, nothing more. The first thing that was discussed was the last item on the agenda. All 13 items were read out and the first thing that was discussed was the controversial one - the Cayman Food s Building. I am going to deal with that.

The point that I wish to make, and in retrospect there are those here who will say that I am wasting time, and those who I have heard speak about the "Swan Song" that I may be singing... I want everyone to know that no one knows who may be singing a "Swan Song" today, or who may be singing one tomorrow.

As small a point as this may seem to be, the point I make is that when we come to Finance Committee Meetings, if the people who are presenting this to the other Members do what they should have done and provided the relevant information, a lot of headaches, heartaches and other aches, could be avoided. What I am saying now about the purchase of lands may fall by the wayside. I may have another opportunity to make this point again in a forum such as this. I do not know. The people will decide.

I firmly believe, after listening to all kinds of things and thinking about it, that when people are informed they are less likely to be distrustful. Those of us who are married know that. I have made the point.

I will quickly go over a section concerning this amount of \$2,221,518. We have gone to Hell and back about the Cayman Food s building. There have been arguments for the purchase and arguments against it. The first point I wish to make, having been a part of the 13th May Finance Committee Meeting, is that in all of the statements that have been made the message that seems to be coming from the Government is that no one said that the building was being purchased, or that there were any intentions to purchase it. The latest argument is that if the Money Bill is approved Government will negotiate with the owners of that building and will pay the best price they can, if it is bought at all.

The very first thing said in the narrative is "**Cayman Food s Building, block 23C parcel 5 - \$350,000.**" In brackets it says, "**This site will be paid for in four annual payments of CI\$350,000 and includes five acres of land. The building, which is 13,000 square feet, will be used for a school assembly hall.... On the property there is enough land for a new Lighthouse School to be built. This purchase represents good value for money as compared to the estimated cost of \$1.7 million to provide only a school assembly hall, canteen facilities and library for the Red Bay Primary School .**" I want to know what that narrative was telling me on May 13th.

The very next statement, which was made by the Chairman, reads, "**I should mention that the cost of the Cayman Food s building property is \$1.4 million, but the Government is purchasing this on terms which require payment of \$350,000 per annum, interest free.**" I have just read verbatim from the Minutes. The narrative says the land is being purchased, the first statement made says the Government is purchasing the land. All of the upset which led the public of this country to take sides on this issue happened because all of the ducks were not lined up. I daresay that if there had been any thought or planning for this particular school, and not something that had to be rushed and dealt with immediately, the ducks could have been lined up. But it is expected of me to prove how bad the building is and why we should not be

purchasing it, when the truth of the matter is that it all stems from how it was done and how the situation was handled.

I felt that I was being asked to vote these funds... and bear in mind that out of this total amount, only \$350,000 was being sought. Once that purchase is negotiated and the first instalment is paid, then the balance of that \$1.4 million will be spaced out into recurrent expenditure. In all of this money that we were talking about, we were not talking about \$1.4 million; we were only considering the \$350,000. The commitment being asked in Finance Committee was a long-term commitment over four years. Is it not fair, if you are being asked to vote on these issues, that you have sufficient information to make a decision from an informed position?

I may seem to be battering this home, but one of these days somebody just might listen.

Here is how the line came across, and here is where I take a different position from the Government and the Minister. The Minister's line of argument with regard to this purchase goes on to say, "**Secondly, for the intake of children coming in this September, whatever has to be done, has to be done in this Finance Committee [13th May], otherwise there will be children who cannot get into school. I just need you to bear that in mind.**" What that says to me is that they have me cornered, and it does not make sense for me to consider if it is right or wrong; that I am in an untenable situation, and if I do not vote for it the children will have no place to go to school come September.

I do not need to remind anyone that the children coming in this September are five years old. They are not going to be born in September and come to school. Are we saying that we had no projection for the number of children coming into the various schools this September? Even with no access to the information that I would like to have access to, I know that there are figures and projections based on varying circumstances available. It is nothing new. My point with this specific instance is that had there been any forward planning whatsoever, we would not be fighting over Cayman Food s in a matter of a day and tearing up the whole place because there is no place for children this September.

I do not mind the Government calling me the third Opposition Member, and lifting my 290 pounds and putting it wherever they please on a daily basis. What I do mind is being told, and I quote, "**This is very typical of the Opposition. They come in here and they oppose, but what is the answer? If they believe that giving me \$2.4 million to build the Lighthouse School and look for some land, together with \$1.7 million, which is \$4.1 million to do the same thing, is good economic sense, then I would say that there is a considerable amount of financial confusion, perhaps financial madness, among them.**"

Even if there is financial madness about me, I am not a financial terrorist!

The Minutes go on to read (the Minister for Education speaking), "**It suits the Opposition Members to make statements against it and walk out and leave me with the**

problems, but as Minister for Education I have to educate the children of this country. To do so I have to have schools in which to do it. While it might not affect the Red Bay School or the two Opposition Members, it surely affects the Fourth Elected Member for George Town. When the crunch comes and there is no place for these children to go, he is going to have the same pressure as I will as to why the facility is not there. I believe that he will support me on that one."

That is from the Minutes of 13th May, 1996, and I can stand here today and guarantee this country that that building, by the time everything is completed in there, will not be useable by September of 1996. We are now into July. With all the pressure being put to deal with it now, now, now... what happened to all the time before?

I do not pretend to be something I am not, but I can understand it is typical to hear the ploy trying to change the point at hand. As long as I have the opportunity to do so, I will continue to preach what I believe; and one of these days, someone will believe. It has to happen. But the moment I say something that does not go along with what some people say, it makes me public enemy number one. My point is simply saying what I believe should have been happening long before now. I have no reason to change what I believe.

Let me tell you what I can accept. If somebody comes to me and says, "Kurt, I understand what you are saying, and I think that it is exactly right, but hear this: I have had so much levelled on my shoulders, I have tried to do everything physically possible, but some things just did not get done....," I can understand that. But do not throw things at me and expect me to be a fool and believe that that is not the way it should have been. Do not come with that - that is not acceptable to me.

In all of this situation I am speaking about, there is an equation for the larger picture. In dealing with it in the fashion that it has been (and I can only speak from the few years of experience that I have had in this Honourable House), and continuing to deal with it in this fashion, every time there is a crisis, this is how it is going to have to be dealt with.

In my mind, what that does to my country is help to expand the divisions. Personalities come into play. If somebody thinks that that is not important in this country today, they are sadly mistaken. A divided nation will never succeed. We are too good for that. We have come too far to prevent the winds of change from taking place when they come with good for the people of this country, specifically the children.

I have no doubt that the Minister for Education wishes what is best for the children. I do not say that to sound apologetic to him. I believe that. But I cannot believe that the prevailing method is one which should continue. I do not speak with a whole tongue-load of wisdom, I speak from things which are obvious when I look around. It is obvious that there are numbers coming into the schools which are known before hand; it is obvious that the country has to have priorities, even when politics must play its part; it is obvious that the policy-

makers need to look at the big picture and do what has to be done. They can play politics with what is left over. That is the way that I see it.

Are we dealing with the Red Bay Primary School, the Savannah Primary School, the George Town Primary School, in the month of May for school in September? Is somebody going to tell me that while preparing the Budget in November in 1995 that was unknown? Humph! I will not even begin to believe who might. So, you balance a Budget in the month of November and you have all of your little dribbling as part of your Estimates to make sure that individuals look good. Way down on the list of priorities are the same children you are talking about. What happens then?

I will take a suspension, Madam Speaker, if that is what you are hinting at.

The Speaker: I do not think I started to, but I will suspend proceedings until 2.30 PM.

PROCEEDINGS SUSPENDED AT 12.58 PM

PROCEEDINGS RESUMED AT 2.37 PM

The Speaker: Please be seated.

The Fourth Elected Member for George Town, continuing.

Mr. D. Kurt Tibbetts: When we took the luncheon suspension I was discussing the timing of some of the capital projects proposed in the larger of the two Loans Bills. My contention is based on some arguments which I have already brought forth - that we look towards developing specific plans of action in order to fill the gaps which we know exist.

I was speaking about the various schools and the physical deficiencies which are presently being addressed: the George Hicks High School, the Red Bay Primary School, the Savannah Primary School and the George Town Primary School. I think it is important to note that the longer we take to plan for the future, the quicker the future catches up with us. It is like waking up one morning and suddenly realising that you have grown old. You say to yourself, 'had I realised that this was going to happen so quickly I would have done the many things I would have liked to have done when it was physically possible for me to have done them. Alas, it is now too late.'

I wish to draw a quick reference to the proposed Education Development Plan for 1995 to 1999 which came about as a result of the Strategic Planning Exercise in Education. If memory serves me right, this was an exercise which comprised some 353 local individuals. In Strategy IX, which is the very last strategy, the initial statement simply says, "**We will provide and maintain all necessary facilities required to achieve and support our stated mission and objectives.**" We have the objectives and we have the mission. That makes all the sense in the world. We have created the

objectives, we know what our mission is, we have stated that we will provide and maintain all necessary facilities required to achieve these objectives.

In the specific objectives of Strategy IX, number 3 states, "**To determine future building needs and develop a building Time-Line.**" The importance here is determining the future needs of the structures in the public school system and building a time-line: simply meaning a plan of action for what is realistic so that construction can take place as regards the priorities that have been put in order.

This document was produced in November 1994. November of 1996 is just around the corner. I draw this to the attention of the House to strengthen my line of argument with regard to planning.

I like the terminology 'building time-line.' What has happened since then? It is my understanding that the process of determining these building needs and developing a building time-line was a process that was supposed to start, if not immediately, very soon after the completion of the document. I really do not know what has happened since then, but I think it is fair comment to say that a time-line has not been developed for the provision of the necessary facilities. If that were done we would not be in the quandary we are in today, trying to rush to fill the gaps that we have talked about on so many occasions.

It has to be right to say that somewhere along the line we, as a country, are doing business the wrong way. Allow me to draw a few more comparisons from the Estimates.

While I am getting these documents together, I think a further statement which warrants airing is that in this picture being painted, I, as a representative, fully understand how other representatives feel when it comes to making their wishes and demands known concerning the districts they represent. I do the same. The way our system is set up ensures that the representation is not only at a national level but at a district level. Let it not be misconstrued in any of my statements that I am suggesting that district representatives should not be thinking about the specific and peculiar needs of their districts. That is why we have the Executive arm of Government as the policy makers who have to determine by order of priority how far the district wishes can be satisfied without risking the national good. I think that is a very important point.

In the 1995 Estimates, under 51-122, Local Revenue, School Buildings, just to draw a few references: 35-2841 - Expansion of Phase I, Technical Study Block at George Hicks High School. These are the 1995 Estimates which were prepared and delivered to this Honourable House in November 1994. For the expansion of Phase I of the George Hicks High School there is a revised figure for 1994 of (and I will try to expedite the matter by rounding the numbers off) \$1.65 million. There is an Estimate in 1995 of \$68,000.

A bit further down there is construction of the Administration Block, Red Bay Primary School. The Esti-

mate for 1995 is \$8,000 and the projected amount to be spent in 1996 is \$573,200.

In this same section (51-122), we read under the project narrative, "**The construction of the remaining four classrooms to the Primary School at Red Bay.**" The 1994 revised figure was \$100,000, the 1995 Estimate was \$320,000. There was no figure projected for 1996.

Based on what the figures show me here, it seems to me that at that time the cost of the remaining four classrooms to be constructed at the Red Bay Primary School at its maximum was \$420,000. Going on a bit further in the same Estimates, for the expansion of Phase II of George Hicks High School, the figure to be spent in 1995 was \$446,000. The figure projected to be spent in 1996 was \$1 million, the projected figure for 1997 was zero. My assumption, from looking at these estimates, is that it was expected, when we spent \$446,000 in 1995 and another million in 1996, that the Phase II expansion would have been completed.

There was also a figure in these Estimates for the expansion of the existing facility at the Lighthouse School. The estimate for 1995 was \$240,000. The projected figure to be spent in 1996 was \$300,000. Those are various components of 51-122, which is School Buildings, Local Revenue, in the 1995 Estimates.

We look in the 1996 Estimates under the same heading and we see expansion of Phase II, comprising the Art Block, Changing Rooms, Extension to Administration Block George Hicks High School. The revised figure for 1995 is \$10,000 which I suspect would have taken care of the planning process, bills of quantities and things of that nature. In the 1996 Estimates there is nothing. Under the expansion of Phase I of the George Hicks High School there is a revised figure of \$50,000 for 1995 and for 1996 there is nothing. Both of these projects had specific amounts designated to be spent in 1996.

We go on to the 1996 Estimates and there is another section under 51-102, which are the same school buildings, but the difference is that this is where local loans are, instead of local revenue.

For the same expansion of the Phase 1 Technical Studies block of the George Hicks High School, we see a figure of just under \$50,000. Then we come up with these little magical \$25,000 figures: Construction of the Administration Block at the Red Bay, estimate for 1996 - \$25,000; Construction of the multipurpose hall and the hard court at the Red Bay Primary School - \$25,000. Expansion of Phase II, comprising Library block and canteen building at George Hicks High School - \$25,000.

Construction of four classrooms at Savannah Primary School \$150,000. Construction of a new facility for the Light House School on a new site in George Town, the estimate for 1996 was \$25,000. I must admit that there is a projected figure for 1997 of \$490,000 and a projected figure for 1998 of \$450,000.

The picture to be painted here is that in our 1995 Estimates we have recognised several important projects to do with school buildings. We understand that fiscal restraint did not allow for much of it to be done in 1995, but because of wanting to do a little bit of planning we have specific figures projected in those 1995 Estimates to be expended in 1996 to complete these projects. By the time we get to the estimates of 1996, which were brought to us in November 1995, figures that should show a million dollars show \$25,000, and figures that should be other hundreds of thousands of dollars are \$25,000.

During Finance Committee Meeting and during the Budget Session in 1995, I remember specifically asking the question. It shocked me to see what was hoped to be accomplished in the narrative under this section of projects, and the amount being devoted to that project, because it was very obvious that in the majority of cases the amounts allocated or proposed could no where near complete the projects. In fact, it would make no sense to start those projects with the funds being made available.

Having seen all of this in the month of November, what was produced along with just over \$16 million worth of borrowings for capital expenditure in that Budget included a myriad of other projects, but there was nothing to be said about the projects for the physical upgrading of the public educational institutions in this country.

The question being asked, with no sensible answer forthcoming, is: How are we going to get this all done? When are we going to get it done? Are we not making some attempt to plan for the future? I remember saying in this Honourable House that we needed to act in that area because students would be coming on line in the month of September 1996, and the physical space was not going to be there to accommodate those students.

I remember saying that we should have dealt with it then, rather than waiting until it came down to our arguing amongst each other as to who was to blame for its not being done. That same thing is going to happen because it has not been done. I am not a prophet, but how true that statement was. Here we are debating the argument today, differing in views (which has to happen). I still contend that what has happened is because priorities were not being set in the order they should have, even without going any further back than the 1996 Budget. What came to us in November of 1996? A balanced budget which did not have the priorities right. We have those priorities before us today and we are being told that if we do not support the Loans Bill then they are going to send the parents to people like myself and say that I am personally responsible because they do not have anywhere to go. That is what is being said. It can go one of two ways.

My absolution is that I know, and the records will prove that I said that this was going to happen to us before. That gives me no satisfaction, whether some people believe it or not. I would have been much more grati-

fied to know that we were on the way with what we know we have to do.

We come back to what I said about it going one of two ways. In my mind it is either that somebody was not paying enough attention to the priority list and it just got put by the wayside, and, now, suddenly, a shock has set in; or with knowledge that they could set the budget the way it was done in order for it to be approved in November, and hold the very necessary projects - the majority of which are coming before us now. Regardless of how we may disagree with the methodology, the fact is (and I speak for myself, but I think I also speak for others) that even though I will stand here and argue against the way certain things were done, because I know and I recognise how important these things are, I have no choice but to support the Bill. When I say I have no choice, I mean I have no choice. Good conscience will not let me say no to the Bill when I know what the needs are - not the wants, the needs.

Not knowing which of the two it is, either one of them is bad business for our way of operating as a country. That is the view that I hold. When all is said and done, bad habits which are allowed to continue only get worse. If you allow the child to suck his thumb without trying to use preventative measures, at the age of ten the child will shamefully suck his thumb in public, and you will hide your face when he does it and say, "Oh, my God!" That is what happens when bad habits are not corrected.

The whole point is not whether we all want the same things or not. I believe that we do. I honestly believe that we do. But the responsibilities that lie at various levels of this House go beyond what we simply wish to see happen in our country. That is why we are elected, so that we can use our good conscience, good knowledge and collective opinions in order to steer the country in the right direction. Steering it in the right direction goes many, many miles further than any one aspect I might be discussing today.

We can talk about the way the country is going financially, we can talk about the social problems, we can talk about all kinds of problems that keep occurring which we have to keep battling. But if we do not exercise the responsibility that we have to ensure that our priorities are in order, we are always going to be in trouble because when the arguments continue we deal with the personalities in this Honourable House.

I stand up today to debate the issue at hand, taking my differing view and trying to put forward what I think is the right thing. Inevitably (and, frankly speaking, it is nothing new to me), what is going to be argued about in this instance is not what I have talked about, but me. Even when that happens (whether I do not like to be talked about because it makes me nervous is not the point) the point is that our country is suffering from our lack of initiative to deal with the issues at hand. That is the point that I wish to make.

It just so happens that the majority of my delivery has dealt with school buildings. Even if some choose

not to believe, I just wish to say that the biggest reason for that is because of the alarming problems that I see on the horizon. The moment that we allow ourselves to get into the situation we are in today, we find the fighting, the bickering, we find the lack of direction; we find the chain of command begin broken down because there is no fixed direction which people can head towards. The moment we end up with a crisis situation where a group of people have to decide which direction to go on in the spur of the moment, everybody heads in a different direction. Somebody might have enough sense to stop and holler at the rest and say 'please come back and let us try to start over again,' but sometimes even that does not happen.

In my opinion we simply need to accept that as a growing country with various problems which continue to occur (we all battle, whether in our individual lives, our business lives, our social lives or in our political lives), the truth of the matter is that somewhere, somehow, we have to come to grips with the fact that no matter how many political campaigns we run to be elected (or re-elected), it is our solemn responsibility (no joke, no playing with people's minds) to lead this country with direction that is not a Band-Aid situation. We will forever be the losers for it.

The problem that it creates (and I have said this in a different way before)... I am totally convinced of this from being inside and outside of this House. What we say, how we say it, or what we do in this forum becomes the norm of our society. If we show our country that we measure our success by Band-Aid practices, that is what they are going to do, saying, 'I saw those fellows make it all right, so we can make it like this too.' That may not sound important, but you talk to the people and hear them say that they heard this one say that, and that one say the next thing, and that is how I am going to deal with my given situation tomorrow, as light as that might seem, it adds to the responsibility.

Making those specific points, let me try to take the last few minutes to look at what I call the big picture. When we look at the borrowings proposed, there are several areas in these borrowings which do not end right here. The Post Office building: Money will automatically have to be voted for that in a few months from now to allow for its completion. You cannot start a project and then leave it like a white elephant. That makes no sense, and money is wasted before it is spent. So money will have to be spent on that.

There are land purchases which are given to time payments. There is the hospital facility for which there have been borrowings this year, and I daresay (no exaggeration) that there will probably be at least another \$10 million of borrowings to complete that. If it is not borrowed but used out of local revenue, then the borrowing will have to be somewhere else. Do not think that I am trying to twist anything.

There is the Pedro Castle project for which, in this Sitting, there will be monies asked for, meaning a loan which will supposedly be self-financing, but will still cre-

ate a liability for the country. I am only naming some. There are other land purchases which the Government has engaged in which are ongoing, and will be ongoing for a few more years.

Let me take this quick opportunity to say that I am not suggesting that there is an error in engaging in that type of financing at a national level, but let us not forget that when we start to make payments, whether it is on land or on a loan, once we have to make steady payments until such debts are paid off, those payments automatically become a part of recurrent expenditure. If we are not careful and we allow those payments to increase beyond the accepted level when we compare our revenue and the amount of expenditure which has to go to these loans, that simply narrows the gap with what latitude the country then has to continue the goods and services required by the people.

In this year alone, while it is wonderful to say that the country for the last three years only engaged in \$8.1 million, it has turned around, and because we have chosen to use a certain amount of recurrent revenue towards capital expenditure (the new terminology for that is 'profit'), then you deal with the situation in that fashion. You come around in one year and are dealing with \$28 million worth of borrowing.

I am not suggesting that at the end of the borrowing of \$28 million that the country is not going to be in a position to make the required payments. What I am saying is that when you have an impact of that magnitude, in the immediate future you certainly diminish your ability because of the vast increase in your recurrent expenditure for those payments. You diminish your ability to perform.

The other thing this leads to (and we only have to look at our own lives to know that this is true) is the tighter we get, the more inclined to borrow in order to accomplish something. This comes back to my original argument, Madam Speaker, that of planning.

If the country knows the direction it is headed in we get less specific hollering, screaming demands being placed on us politically. We can always truthfully answer when the question arises, 'This is what we are doing.' The way it is happening now is an excuse for the correct way of operating - by voting token funds for specific areas. When the project does not get completed, the question is asked, and you can answer with a slight truth by saying, 'Money was voted, but it did not get completed.' Then the Civil Service is the bad guy.

That may not seem to be a very important point, but we cannot continue to live like this. We cannot deal with it in that fashion; we are going nowhere doing this.

The contingent liability in this country at present (not knowing exactly, but knowing that I am fairly accurate) is approximately \$105 million. Existing self-financing loans... and these are loans which Government has guaranteed, but undertaken by the Statutory Authorities that are presently paying their way. Nevertheless, the day that any one of those Authorities cannot pay their own way, the Government will be immediately called upon to make those payments. That is the self-financing loans. Knowing that I

am fairly accurate, I will state that this figure is close to \$16 million. When this Loan Bill is approved, and all the plans are put into action, the direct liabilities to the nation will be \$57 million. That is a fact.

It is not my intention to frighten anyone, but we are looking at three different figures here: \$105 million worth of contingent liabilities, \$16 million worth of self-financing loans, and \$57 million worth of direct borrowings by the country. Those figures, while not frightening (I do not wish to create that impression), do give rise to concern about the direction.

Somebody will come behind me and say, 'Here you are talking about things which need to be done while questioning how much we owe.' My whole argument is centred around priorities and proper planning. I come back to it again. Madam Speaker, I beg your indulgence because it is not to be repetitious, but I am using various lines of argument to come back to the same point. If we plan our lives properly we know what we can afford at any given time. We are then able to prioritise what has to come first and our nation then understands when we are not in a position to do something.

Then comes the other power play, when the pressure comes on from certain sectors of our society and politically you need to please them. So you lose track all over again and go on to deal with something to satisfy that area because you do not have a plan. If you had a plan, when each area points at you and says, 'We want this and that,' you can say, 'this is how we have it planned, this is what we are able to do now with the money we have. But tomorrow, as soon as we get this out of the way, this is what is going to happen.' If we had a track record for doing that, the public would not question it. I am not just talking about today, I am talking about all of the years in the past, the very recent past and now. We have to change our way of doing business.

We have the ultimate responsibility for the success of this country when it comes to our children and the ability for them to enjoy the same, if not better, quality of life that we have.

After what I have said is torn apart and critiqued, however it is dealt with, I just sincerely hope that somewhere along the line some of us will have the courage to accept - not to understand, because I know we all understand it - but to accept the importance and the good in trying to deal with our nation at the level I am trying to instigate.

I live with the philosophy that if I help to make my country well, that I will be well. If I simply look for me to be well, what is well with me may not be any good if my country is not well. That sounds a bit complicated, but it is simple. If I play my part to make my country better, then, obviously, the law of averages dictates that I will be better. But if I only look for me to be better, then all the worth that I have can mean nothing if my country is worth nothing. We must remember that.

To conclude, these various amounts in the two Bills for local loans in order to accomplish the various needs that have been pointed out are necessary. It is just unfortunate that they come in the way that they have come so that there is no great satisfaction in participating in the voting process simply knowing that you vote because there is no choice at this point in time.

Whatever side each one of us chooses to be on, let us strive as a nation, let us strive with out directives, our policies and our wishes for this country to allow the professionals who perform their chores daily to be able to do what they know they should do. If the policy makers are such that they can see the wisdom in forward planning, I am sure that this country will be a lot better off.

I have to say that I will support the Bills. I just hope that in the future we will be able to look at such borrowings in a different light than we do today.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Thank you, Madam Speaker.

Today we have two Bills before us, A Bill for a Law to amend the Loan (Capital Projects) Law, 1993, and A Bill for a Law to authorise the borrowing of up to \$10,685,268 for the financing of specific capital projects.

I wish to clarify a number of issues. The first one has to do with the misconception some members of the public have regarding these two Bills. It has been brought to my attention that some members of the public seem to think that the Government is trying to borrow \$8,130,171 in addition to the \$10,685,268. Of course all of us in this House know that is not the case. What happened was that the Bill for a Law to authorise the loan 1993, which was passed in November of 1993, authorised the borrowing of over \$8 million. Some \$2,046,566 were not utilised.

The amendment Bill we are now discussing is seeking the approval of this House for \$611,260 of that amount to be spent on sports centres and parks and \$1,435,306 to be spent on school buildings. That should make it absolutely clear that we are not talking about borrowing \$8 million in addition to the \$10,685,268.

The schedule to the Bill has been discussed by various contributors at length, and every contributor so far has said that they will support the Bill. The last speaker made a significant contribution and pointed out the importance of short-term and long term financing. I wish to say that I feel confident that the Minister for Capital Works is in a very good position to answer for himself when it comes to why these various capital works are regarded a priority, and why they do constitute part of the long-term and short-term plan of Government.

There is no question in my mind that any Government should have short-term and long-term planning in place. This is absolutely essential for us to have good Government. I remember hearing the Financial Secretary speak of the significance of short-term and long-term planning not too long ago, and what is being done in that direction. Much work is being put into that at this point in time to come up with a long-term plan for Government. All of us in this House recognise the significance and importance of this coming to fruition.

The first item on the schedule of the Bill for a Law to authorise the borrowing of up to \$10 million, Civic

Centres and Museums, amounts to \$200,000 and it has been said, and we all know that this is for the hurricane shelter and community hall in the East End District, and nobody in this Parliament would disagree that this is extremely essential. The hurricanes often approach from that direction. This is a flat island and hurricane shelters are essential in all the districts, East End being no exception.

The second item, Construction of Roads, amounts to \$4,050,000, and we know of that amount over \$3 million will be spent on roads in the George Town area. The Third Elected Member for George Town adequately discussed some of the roads that will be fixed in the George Town area with that sum of money. I am happy that George Town, the Capital of the Cayman Islands, is going to get the needed attention. We know that the roads, as pointed out in the last Session of this House, are in a state of disrepair in some parts of George Town and badly need attention. With the approval of these funds, we should get our roads fixed.

I am delighted to hear that this work will be put out to tender and that the private sector will effect its completion. The Public Works Department finds it impossible to do all of the work allocated to it, and I believe that this is the way to go. The private sector should be given the task of completing these roads, especially since we hope to get them finished in the near future.

Three million dollars will be spent on the George Town Roads and we will have excellent roads all the way to Boilers and Harbour Drive will be fixed, which is one of the main thoroughfares in George Town. Many other roads in the George Town district will be fixed. The Third Elected Member discussed that at great length. I think the George Town constituents will be very happy to see the amount of work that will be done in the George Town district. Everybody has to use the roads in George Town. The entire country will benefit.

There is an allocation here for West Bay also of \$400,000. The total vote is over \$4 million. Bodden Town, a quarter of a million, North Side, a quarter of a million, East End \$150,000. There is \$37,000 for the third item, Harbours and Docks, to fix the West End channel access near the Tiara Beach Hotel. I understand that this is long over due and badly needed to improve conditions in Cayman Brac. Access to that area will enhance tourism, including the dive industry.

The amount voted for public buildings is in the region of \$709,000 to renovate the court house and complete the Department of Environment Building and improve the MRCU Hangar at the airport. These projects are all badly needed. In my opinion, they constitute a priority.

Item 5, purchase of Lands, has been adequately discussed by so many different Members. We all know that in order to get the things which are so badly needed in the Cayman Islands, Government has to purchase land. Much of the land that Government already has is not desirable for building so Government will have to purchase land in order to build these various buildings,

which includes the West Bay Sports Complex; the Cayman Brac Swimming Pool; the East End public beach. The Baptist Church building is going to be purchased at over \$1182,500; the slaughter house for the Department of Agriculture; the proposed boys' home; the Mission House for the National Trust; the Bodden Town Community Park; the Frank Sound Community Park; the East End Elderly Home; the hurricane grave site, and House for the National Trust, and \$350,000 towards the Cayman Food s building which will be utilised by the school for the handicapped and Red Bay Primary School . All of these projects have been recognised as extremely essential and necessary if we are going to progress and move forward.

Item 6 deals with school buildings. In that respect \$1,435,000 of the unspent money from the 1993 loan will be utilised and \$1,420,000 is being borrowed if this Bill is passed. That is almost equal to \$2 million. We should see significant improvements in all of our school buildings throughout the island once this goes through. Four new classrooms will be added to the George Town Primary School . I am sure this comes as good news to all of the students and also to the parents in the George Town area. That will cost \$717,000. There will be four new classrooms at the same price for the Savannah Primary School. Schools throughout the districts will be upgraded and improved. What is more important than providing the facilities to educate our people?

Item 7 deals with sports centres and parks. Of the \$2 million that were not utilised in the 1993 loan, \$611,260 is being utilised for this purpose and a further \$846,000 will be borrowed. How will this money be spent? There are outstanding bills from 1995 for work done at Pedro Castle and also at the Queen Elizabeth Botanical Gardens which amounts to approximately \$222,000. These monies will be used to pay those off. Also, a quarter of a million dollars will be used to pay a contingency amount for construction of a visitor's centre at the Queen Elizabeth Botanic Gardens. The Cricket pitch which includes the soft ball and baseball facility in West Bay will cost \$419,000. A further \$567,000 will be spent on Community Parks throughout the islands. This all amounts to the sum of approximately \$1.5 million.

I believe that all of us would agree that this is a very, very important purpose for this money to be spent on. Approval is being sought to borrow \$1,200,000 for Post Office buildings. We know that in Finance Committee Meeting in May, some \$2.3 million were approved for the construction of the airport mail processing centre.

I am not clear myself whether the balance will be coming from recurrent revenue or, as the Fourth Elected Member for George Town pointed out, approval will be sought to borrow more funds to complete the airport mail processing centre. I will seek clarification on this. I hope that the balance of the money will be forthcoming from the recurrent revenue budget.

All in all, I feel confident that this money is being put to good use. Like the Fourth Elected Member for George Town, I see the significance of long term plan-

ning. I see the significance of short term planning. But I also know that Government is doing its endeavour best to make sure that such planning is implemented. I feel that as much work as possible should be put in this direction so that we avoid as many supplementary approvals, spending, virements as possible.

Rome was not built in a day, and everything takes time. I am here to wish the Government all my good wishes. It takes a lot of work to run a Government. Yes, we are being paid to do it, but everything takes time. I certainly hope that the long term planning policy, once on line, is well thought out and will assist us in achieving more effective fiscal management of our affairs.

I have no problem with supporting these two Bills. Thank you, very much.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

(3.49 PM)

Hon. Anthony S. Eden: Thank you, Madam Speaker.

I rise to give my support to these two Bills. I am grateful that I have been part of a Government with the ability to borrow these funds. I recall when we took over that the previous Government was not afforded that luxury, and it was several months into our administration before funds could be raised to pay off some of the debts relating to Cayman Airways .

As pointed out by previous speakers, the majority of this money will be going to very worthwhile causes - construction of roads, especially in the George Town area. As the Capital and financial centre, it is time that these roads be brought up to an acceptable level. They have been left to deteriorate for far too long.

What better way can we spend our money than on the School buildings? I know that the Minister has taken a lambasting for this, but people must remember that when we took over funds were not readily available. It took time to build up investor confidence so that people would come here and invest, making it unnecessary for us to tax our people. During our three and a half years I do not believe that we have put direct taxation on any of our Caymanian people.

This is only the second time that we have come for a loan. I remember that in two short years with the previous Government there was over \$20 million in taxation. We have tried to make it easier on our people by going the route of borrowing.

There is \$846,000 for Sports Centres and Parks. We have seen in just a few short years what has happened in this country especially with our young people by providing the facilities for them. We have taken much criticism for this, but it has been an investment that we cannot judge overall. When we look at the results from the Juvenile Courts and other police statistics showing the dramatic reduction in the incarceration of our young people.... It is a pity that people will take a very important area such as this to try and make political mileage.

During the May meeting of Finance Committee, there were approximately 61 votes taken in regard to appropriation. At that time there were perhaps two or three negative votes. We know the process that we have to go through. Why, when the vast majority of these votes were supported in Finance Committee, is there so much hogwash as we try to appropriate and regularise the voting for a Loan Bill?

I agreed with the Fourth Elected Member for George Town when he spoke about long-term and short-term planning. I am proud to say that within my Ministry, and also within the Ministry for Education, we have undertaken the Strategic Planning approach. Several Members of this Honourable House have dealt with this. It takes a while to get it going, but I am sure that in the end we will see some very positive results.

Other speakers have mentioned the money this Government has gone through. When I look in my district of Bodden Town I see two primary schools, Bodden Town Primary and the Savannah Primary. I see the tremendous improvements made to those two schools in the area of education. I think about a half a million dollars were appropriated by this Government to bring these up to an excellent standard. There has been nothing that I have asked the Honourable Minister for Education for in regard to these two schools that we have not received. One of the finest busses in the island was delivered last year to the Bodden Town Primary School. Both of the halls are now air conditioned. The hallways have been tiled. We were able to build an art block at the Bodden Town School. I could go on and on. Why do people try to tell lies about the Minister for Education when we know what he has done? It is a crying shame.

There was talk about dishonesty in this Government. I have not seen any. A few days ago on television one Mrs. Peguero said that this Government had spent approximately \$30 million on a new hospital and had nothing to show for it. If that is not twisting the figures and misleading this country.... That is what I call dishonesty.

Some of these people believe that Government can give and assist, but when some of them are the benefactors they turn around and say that we are wasting the money. Let us be truthful with ourselves. I have had a number of people come to me asking how we could give money to some of these organisations when people tell deliberate lies, when we have trusted these people with the youth of this country and they go and tell a deliberate falsehood.

I am going to be brief because I am fairly sure that the majority of the people in this country know what we are doing, they know how far we have come in just three short years. They remember the unemployment, the down-turn in construction and tourism, you name it. People were not working and wondered where their next dollar would come from. What have we done? We have established that investor confidence that has brought these islands to a construction boom the magnitude of which we have never before experienced.

The comparison was drawn about the financial management of this Government. I am proud of our Financial Secretary. As he has said on more than one occasion, we are well within the acceptable limits of less than 10% before we would get into any major problems with the recurrent revenue side.

When we compare this Government with the last Government, there is no comparison. History has already made a judgment on their style of management. Not one Elected Minister from the last Government was returned to this Honourable House. There is no better proof-positive than that. They were not trusted and the people demonstrated, in no uncertain terms. Never before in our history was an election decided by such a huge majority. I think some of these people either have a short or convenient memory.

As I said, we will continue to go forward and manage this country as a team as we started out. We all contributed to our Manifesto and the vast majority of our hopes and expectations have been accomplished. We could only do that through team work.

When people try to twist the figures, I ask the public to look and see what the truth actually is and not to pay heed to some of these smooth talkers.

Thank you.

The Speaker: The First Elected Member for Cayman Brac and Little Cayman.

(4.01 PM)

Capt. Mabry S. Kirkconnell: Thank you, Madam Speaker.

I have listened with keen interest to the debate on the two Bills, A Bill for a Law to Authorise the Borrowing of up to \$10,685,286 for the financing of specified Capital Projects, and A Bill for a Law to amend the Loan (Capital Projects) Law, 1993.

Much has been said, and I will not attempt to go over it because it would take days. I have been in this House for a considerable length of time, and it has always been my understanding that things of this nature come to Finance Committee affording us the opportunity to discuss and understand what the expenditure is going to be for. It is explained by our very capable Financial Secretary of the day whether or not the country can afford it. Then it is voted upon.

In my earlier days in this House all of this was done behind closed doors, in secret, and we could not elaborate on the proceedings of Finance Committee until the Report was tabled in this Honourable House. Therefore, much of what we have heard here today would not have been possible. Nevertheless, evolution and democracy have progressed to the point, and I think all of us must be extremely proud of what this country is able to do today.

Speaking for my district, I am very grateful for the educational facilities that have been established in Cayman Brac. We had an excellent graduation ceremony

there last Saturday night. We were very proud to hear the reports by the Principal that Cayman Brac High School had the highest percentage of CXC passes of any part of the region. That speaks very highly of the Minister for Education and the entire Department of Education and all that goes within. I think that for us to limit our expenditures on such an important thing as providing adequate facilities for our educational system, particularly when speaking about the Lighthouse School, we must reconsider.

The future of this country will rest in the hands of these young people who are now being educated. The world is becoming more difficult and they must be adequately prepared for tertiary education if we are to have the leaders to keep this country in the forefront of the financial off-shore centres and our high tourism development.

I, as other speakers, truly believe in planning. I have tried to plan my life. I have tried to provide for my personal needs and those of my family, making my wants take second place. When there was extra I tried to get the things I could maybe have done without. But since being a Member of this Honourable House I have seen some very ambitious planning schemes come before this House, some I supported in principle. I speak specifically this afternoon of the Master Ground Transportation Plan. Certainly, Grand Cayman needs a better network of roads, but I must say that the Cayman Islands needs a road system that it can afford.

The Master Ground Transportation Plan would have indebted this country to double the public debt we have today simply securing rights-of-way. Up to 1996 we would not have had the funds to begin construction of that Master Ground Transportation network. We would still be paying for rights-of-way. I do not consider that that type of planning is planning in the best interest of this country.

Hon. W. McKeeva Bush: Hear, hear!

Capt. Mabry S. Kirkconnell: We must plan for the future development of this country and bring this country in line. Our needs, not our wants, must be met.

The MGTP was in some instances going to go through an area in the West Bay peninsula that had 150 feet of water. How much marl would we have had to hear about in this Honourable House with royalties and dredging to fill that? I served on the Central Planning Authority at the time, so I am not talking about what I do not know.

When a plan is a plan, it must be properly thought out and be able to be financed. I want to repeat myself by saying that short-term and long-term planning will be for the future benefit of this country. But let us look at exactly what a long-term plan implies - it is how the country will benefit over that long period of time. It is not what you are going to get within a very short time frame.

This Loan Bill now before the House is providing expenditures which this nation needs. When I hear peo-

ple objecting to this Bill, I wonder how we can say that we need money for roads, and money for this and that. There is no one who will give us the quantity of money that we are asking for here. We must borrow it. We must authorise the borrowing of that sum.

I am most grateful to the Government for what they have appropriated to be spent in my district. I am guilty of always asking for more!

(Members' laughter)

Capt. Mabry S. Kirkconnell: I want to be honest in saying that I know the source of getting the revenue is through this Loan Bill.

We must not forget the great responsibility to preserve the future of this country today, not because we are approaching the period of time where we seriously begin to campaign. I have always used as my motto 'Country before self', and I think that all of us should establish that policy. Whether I am re-elected (if I chose to run) is one thing, but whether the Cayman Islands is a country that I want to live in for the balance of my life is far more important to me. That is really my goal in life today - that when I leave this Chamber I will be able to say that I did the best that I could and that the Cayman Islands is a place where I want to live as long as God spares my life.

So, today I want to congratulate the present management of our Government. I think there is room for criticism, but we do not know how the shoe fits (or hurts!) until we wear it. You have to have that responsibility before you can truly say that they could have done better. I have been in positions of responsibility on numerous occasions and I know this from experience.

With these few words I give these two Bills my full support.

The Speaker: The Elected Member for North Side.

(4.12 PM)

Mrs. Edna M. Moyle: Thank you, Madam Speaker.

I, too, rise to offer my support to the two Bills before us. I will mainly speak on the Bill to authorise the borrowing of up to \$10,685,268 for the financing of specified Capital Projects.

In the debate on this Bill we have heard a lot of talk. Many things have been said. But I do not think it will go very far in proving the ability of the present Executive Council to manage the financial affairs of this country. I think that they have done a tremendous job. Had this Government not had to pay off so many debts left behind in 1992, perhaps there would have been no need for this borrowing today.

Hon. W. McKeeva Bush: Hear, hear!

Mrs. Edna M. Moyle: I, as the Elected Member for North Side, would like to thank all of the Ministers of Executive Council for the things they have provided in

the District of North Side over the past three years. I would particularly like to thank the Honourable Minister for Education, who has taken a tremendous amount of knocks here today. No matter what time I went to him with the needs of the North Side Primary School, which was completely forgotten during the years of 1984 to 1992, he was always willing to assist and find funds if at all possible to provide the necessities for this school to operate properly. It was not only the North Side School that he did this with, it was all Government schools coming under his Portfolio.

Some of the knocks placed against this Minister during the debate on these Bills are unnecessary and unwarranted. We have heard much said about the purchase of lands. I am tired of hearing about the purchase of the Cayman Food's property. If I have property for sale, whether I am a Member of this Honourable House or not, I do not agree that I should be ostracised if the Government needs the property I have for sale. I do not agree that they should not look at the property I have for sale.

We have heard much about long-term planning for roads, a national plan for roads, but as the First Elected Member for Cayman Brac and Little Cayman has just said, we had a scheme put forward (the MGTP) which was a long-term plan, as far as the payment for that was concerned. There was some \$350 million of which \$100 million was just for land acquisition. We know that we need roads. I feel that this Government has done, and continues, to do its utmost to provide more roads for Grand Cayman and Cayman Brac.

The Fourth Elected Member for George Town made some comment along the lines that the majority of roads in this country have almost lived out their entire life. He referred to the maintenance of a vehicle. I agree with him 100%. But, had the maintenance of these roads been carried out over the previous years, maybe the amount of money that has had to be spent would not have been necessary. If we continue to not maintain our vehicles, at the end of the day the entire engine will drop out. This is what has happened particularly to the roads in Grand Cayman.

I speak from experience with the roads in North Side. Back in 1994 there was one stretch of road with a hole where you could have taken and pushed into it the entire length of a 10 foot pole. The road was deteriorating from underneath. It cost this Government some \$75,000 to repair that stretch of road. If there had been maintenance we would not have had to spend that amount of money.

I agree that more time and money should have been spent on the maintenance of roads in George Town, seeing that it is (as the Fourth Elected Member for George Town said) the 'hub'. But this will be done shortly, as we are now voting the funds where major maintenance and upgrading of roads in George Town can be carried out. This amount of money will not have to be spent in other districts in the coming years to upgrade and maintain these roads. I think that the present

Government should be given a pat on the back for upgrading the roads to where our people can now drive and feel safe. We have had terrible roads in the past.

We heard past Members saying things like, 'The worst the roads in this country have been in the last decade is now.' How untrue, when they spent nothing at all to maintain these roads except building subdivision roads prior to the 1992 election.

I would like to thank the Honourable Minister for putting before us today the means to provide parks and sports centres for the districts of this island. I am personally pleased that through the funds provided in this Bill, and sports centres and parks, there is provision to purchase property in the Frank Sound area to build a park so that we can take the children of that area off of the 50 M.P.H. highway, because that is the only place that they have to play in at present.

Much has been levelled at this Minister for wanting to provide these types of facilities for our people. I think that every one of us sitting in this Parliament building should be proud to know that he is trying to give each district a facility that the people can enjoy rather than having nowhere to go to spend an evening with their families.

I would like to congratulate the Government, and I offer my full support on this Bill and say to them, ignore the lambasting you have received. The people will tell who they feel have represented them and properly managed their funds. To the Honourable Financial Secretary, I say that certain things have been passed on the debate of this Bill that could question your integrity. Hold your head high because I am confident and I believe that you have tackled your job as the Honourable Financial Secretary of this country with full responsibility and maturity.

Let us look forward to the implementation of all of these projects for the betterment of the people of these islands.

Thank you, Madam Speaker.

The Speaker: We have five minutes left if any Member would like to utilise that in contributing to the debate.

The Honourable Minister responsible for Tourism, Aviation and Commerce.

Hon. Thomas C. Jefferson: I was hoping that we would move the adjournment.

The Speaker: Do you mean that you would like to move the adjournment, Honourable Minister, because I am not in a position...?

ADJOURNMENT

Hon. Thomas C. Jefferson: I would like to move, Madam Speaker, that the House do adjourn until 10 o'clock tomorrow morning.

The Speaker: I have no objection.

The question is that this Honourable House do now adjourn until 10 o'clock tomorrow morning.

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

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until tomorrow morning at 10 o'clock.

AT 4.22 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM, THURSDAY, THE 4TH DAY OF JULY, 1996.

**EDITED
THURSDAY
4TH JULY, 1996
10.08 AM**

The Speaker: I will ask the Third Elected Member for George Town to say prayers.

PRAYERS

Mrs. Berna L. Thompson Murphy: Let us Pray.

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

Bless our Sovereign Lady Queen Elizabeth II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated.

Order. Proceedings are resumed in the Legislative Assembly.

Questions to Honourable Members and Ministers. Question Number 84, standing in the name of the First Elected Member for Bodden Town.

**QUESTIONS TO HONOURABLE
MEMBERS/MINISTERS**

QUESTION NO. 84

No. 84: Mr. Roy Bodden asked the Honourable Third Official Member responsible for Finance and Development if there has been any settlement by Cayman Cement Distributors Limited on the alleged evasion of Custom Duties.

The Speaker: The Honourable Third Official Member for Finance and Development.

Hon. George A. McCarthy: Madam Speaker, the answer: As this case involves the alleged evasion of import duties it is not possible to reach a settlement unless the Company agrees to a settlement or a Court ruling is obtained in favour of a settlement. To date, neither of these positions has been reached.

In the most recent correspondence received from the Legal Department it is stated that the case has been dormant for sometime. As a result of this, it may not be possible at this time to initiate criminal proceedings due to the passage of time and other difficulties.

As an alternative, the Legal Department has proposed that civil proceedings could be pursued and the Portfolio of Finance and Development is now being asked to advise whether it would like to pursue the action and, if so, the Portfolio could instruct the Legal Department accordingly. This Legal Department has further advised that if we were to opt for this approach, it would involve a considerable commitment of resources to prepare the case.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. Can the Honourable Member tell the House how long these negotiations have been going on?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, between 18 to 24 months.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Can the Honourable Member say whether the case of the Customs Department in alleging duty evasion is weak, or the extenuating factors is the reason why no decision has been taken thus far?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, in the first instance it is a question of judgment. The Customs Department took the view sometime ago that the rate at which freight was being charged should have been what

is normally charged to a member of the public had the company not been using their own ship. In this instance, because of the fact that the company in question used their own shipping line there was a question as to whether it would be charged the rate that an ordinary member of the public is charged. This is where the difference of opinion ruled. Even with the help of the Legal Department, as yet we have not been in a position to resolve this issue.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. Can the Honourable Member tell us what the time frame was in which this alleged evasion took place?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, this was first disclosed by the Internal Audit Unit in 1992.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. Can the Honourable Member give the House an indication of the amount of money involved in this case?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, according to the Internal Audit assessment, it would be in the region of half a million dollars.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Member say whether any thoughts were given to negotiating with a view to an out of court settlement?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, that was a part of the negotiating process. But we were waiting for advice as to what would be the basis for pursuing the case from this angle.

The Speaker: The next question is number 85, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 85

No. 85: Mr. Roy Bodden asked the First Official Member responsible for Internal and External Affairs to state the work permit figures by category (that is, temporary or

one, two or three years) for each of the following years: 1993, 1994, and 1995 up to May 1996.

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Madam Speaker, the answer: The work permit figures for the years 1993, 1994, 1995 and up to May 1996, are as follows:

1993	Temporary Work permits	894	
	Six-month work permits	none	
	One-year work permits	12,134	
	Two-year work permits	291	
	Three-year work permits	100	
1994	Temporary Work permits	1,472	
	Six-month work permits	414	
	One-year work permits	13,852	
	Two-year work permits	321	
	Three-year work permits	52	
	1995	Temporary Work permits	6,394
		Six-month work permits	845
One-year work permits		9,609	
Two-year work permits		193	
Three-year work permits		82	
To May 1996	Temporary Work permits	3,169	
	Six-month work permits	471	
	One-year work permits	3,843	
	Two-year work permits	342	
	Three-year work permits	51	

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Is the Honourable Member in a position to explain the significant fluctuation in the temporary work permits for the years 1993 to 1995?

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Thank you, Madam Speaker.

The temporary work permit figure for 1993 is very low and we believe it is because the system dealt with them manually. The figure for 1993 may not be accurate. The information is now on computer, so, certainly from 1995 onwards, the figures are accurate.

The Speaker: The First Elected Member for Bodden Town

Mr. Roy Bodden: I noticed from the figures provided that the three-year work permit figures are rather low. Can the Member give an indication why this is so, and also give the House some information regarding the type of person who would fall into this category?

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Madam Speaker, the three-year work permit category deals with two groups of people; (1) persons married to Caymanians, and (2) persons in managerial positions generally in the financial sector.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Member say if these work permit holders are eligible for renewal and, if so, what is the time frame?

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Thank you, Madam Speaker. This category of persons would be eligible for work permit renewals unless there is reason why the Board is unable to renew them. The time frame should be similar to the other categories, the one-year and two-year categories.

The Speaker: The next question is number 86, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 86

No. 86: Mr. Roy Bodden asked the Honourable Minister responsible for Education and Planning what is Cayman Airways Limited doing to comply with the noise level requirements for the type of aircraft it uses as prescribed by the United States Authorities.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, the answer: The United States Department of Transportation has ordered that only Stage III aircraft will be permitted to operate in the United States of America after the 31st of December, 1999. This, of course, means that aircraft such as B-737-200s; B-727s and DC-9s will not meet the noise level criteria unless they are modified to reduce the noise level.

Cayman Airways Limited's Management Board and I addressed this problem as far back as 1993 by setting out a programme which enabled us to operate our Stage II aircraft for as long as possible without having to invest in the costly noise abatement equipment.

You must remember that the Noise Abatement Programme is designed to reduce noise pollution only. The basis of the United States Control is a programme which requires airlines that operate into or within the United States to remove 25 per cent of their Stage II aircraft by year end 1994, 25 per cent by year end 1996, 25 per cent by year end 1998, and the balance by year end 1999.

These percentage reductions were based on the number of "Stage II aircraft" each airline owned during a "window" which the United States Authorities opened from 1st January, 1990, to 1st February, 1991. Carriers were allocated one base level for each Stage II aircraft in their fleet at any given time during that period.

Cayman Airways Limited at that time was getting itself into a dreadful legal and financial mess by contracting with GPA and ILFC for Boeing 737-400s which, since their engines meet the Stage III noise level, did not require base level. The result was that when I got the problem of sorting out the mess the airline was in, I learned to my horror in 1993, that the airline only had one base level and, therefore, was only approved to operate one Stage II aircraft into the United States of America. A great deal of ingenuity was required to resolve the situation which can be summarised as follows: When Cayman Airways returned two B-737-200s to ILFC at the end of 1994, it wisely retained the base level to apply to a future Stage II aircraft.

Next, we made it a condition of the purchase of the 737-200 VR-CAL from Citicorp, that they transfer to us a base level with the aircraft. Finally, we appealed to the FAA for the restoration of a third base level on technical grounds and our appeal succeeded. This meant (and you can verify it by applying the reduction scale I mentioned earlier) that Cayman Airways could operate one B737-200 into the United States until December 1998 and a second until December 1999. Ironically, what Mr. Linford Pierson called a "sweetheart deal", the disastrous sale of the 727-200 jets in 1989 which would have been fully owned in 1994, was made partly because the Government wrongly stated that the 727-200s would not comply with the United States Noise Regulations beyond 1994.

The difference between the situation which I inherited from the previous Government, that is, between having one base level and three, is worth a savings of approximately US\$1.5 million.

Cayman Airways Limited plans to meet the noise level demands of the United States Authorities by hush-kitting its 737-200 aircraft. The airline is already in discussions with several manufacturers of hush-kits and will soon make a decision as to which one to choose.

The anticipated cost is approximately US\$1.5 million for ship-set and the Board of Cayman Airways will not be asking Government to fund any of this cost. The wisdom or purchasing rather than leasing aircraft will be further reflected in the fact that the asset value of our aircraft will increase by an amount greater than the hush-kit cost.

As you know it is the policy of this Government to facilitate the purchase, rather than the leasing, of aircraft. In this way Cayman Airways gets to own its aircraft where previously it was effectively paying the cost of aircraft which the leasing Company ended up owning.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Can the Honourable Minister say if the cost of \$1.5 million also includes the fittings, and if it does not, approximately what will be the cost of fitting the hush-kits?

The Speaker: The Honourable Minister.

Hon. Truman M. Bodden: Madam Speaker, that is why I said it is a ship-set. It is actually purchased and fitted on the aircraft for the \$1.5 million.

The Speaker: The next question is number 87, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 87

No. 87: Mr. D. Kurt Tibbetts asked the Honourable Minister for Education and Planning why the Hard Courts which were completed in November of 1995 have not been sealed and striped since that time.

The Speaker: The Honourable Minister for Education and Planning .

Hon. John B. McLean: Madam Speaker, I have been asked to answer this question.

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: The answer: It was originally planned that the courts would be sealed and striped in 1995, however this did not occur. Consequently, the 1996 Budget made no provision for this work. Funding has now been provided for this work by way of a virement. The funds were released to the Public Works Department on the 4th of June, 1996, and the work will be carried out during summer recess.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker. For the purpose of clarity, it is anticipated, then, that these works will be completed before school starts back in September?

The Speaker: The Honourable Minister.

Hon. John B. McLean: Madam Speaker, the work will be carried out during the holiday.

The Speaker: The next question is number 88, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 88

No. 88: Mr. D. Kurt Tibbetts asked the Honourable Minister for Education and Planning if Cayman Airways has considered renting or selling any of the approximately \$5,000,000 worth of spare parts for various aircraft being held in inventory.

The Speaker: The Honourable Minister for Education and Planning and Cayman Airways.

Hon. Truman M. Bodden: Madam Speaker, the answer: Cayman Airways has a total spare holding of approximately US\$5.88 million. However, of this figure only US\$3.49 million worth of spares are available for sale or rental. Let me explain as to how we arrived at this situation.

Cayman Airways has aircraft spares for Boeing 737-300 and 737-400 jets, which were another expensive problem left by the former Government and referred to by Mr. Linford Pierson as a "sweetheart deal". These two aircraft are no longer in the fleet. The original cost of these spares was just under US\$3.49 million. When I took over as Minister in November 1992, CAL had one Boeing 737-400 and 737-300 in its fleet. Prior to 1992 CAL had an additional two other 737-400 jets from Guinness Peat Aviation in its fleet.

In 1991, CAL broke its contract with GPA and as a result the two GPA-400 jets were returned. I inherited the responsibility of paying for the arrangements reached in 1991, an arrangement to break the contracts which ultimately cost the airline some US\$8 million. Therefore, in 1992 the third and remaining 737-400 had US\$1.5 million of accumulated unpaid lease payments, and for the same 400 jet the airline had a contracted liability of US\$39.8 million, in lease payments alone, over the next ten years.

In addition, the airline had title to a CFM 56 engine for the 400 jet, valued at US\$3.5 million. Unfortunately the airline had not paid for this engine so further finance charges of US\$800,000 had accumulated and utilisation charges of over US\$1 million had accrued.

In 1993, we were successful in returning the engine to the manufacturer in full and final settlement of all charges which amounted to US\$5.3 million. Remarkably, we were also successful in escaping the contracted liability of US\$39.8 million in lease payments over the next ten and a half year. We negotiated with the lessor and they agreed to take back the 737-400. I would remind the House that this was accomplished at no cost to CAL or Government, without rancour and without loss of goodwill. So this leaves only the \$3.49 million worth of spares, US\$3.25 of which are for the said 737-400.

We have had offers to purchase these spares at offer prices significantly below the purchase costs. The problem is that in 1990 Cayman Airways paid a fairly high price for these spares which were not readily available then, but are now available with much shorter lead times.

Cayman Airways is presently developing proposal to make these spares available for rental to airlines who are badly in need of immediate spares, for example, when another carrier has one of its aircraft temporarily on the ground and is in urgent need of parts. In these types of situations the rental charges are very high. If Cayman Airways rents these individuals parts it can earn rental income on each part within 45-47 days which will more than pay for the cost of the part.

The rental of aircraft parts is a developing business and Cayman Airways has already had some success with rental of some of these parts.

The Speaker: The next question is number 89, standing in the name of Fourth Elected Member for George Town.

QUESTION NO. 89

No. 89: Mr. D. Kurt Tibbetts asked the Honourable Minister responsible for Tourism, Aviation and Commerce to explain in detail how the Pedro Castle project will be self financing when completed.

The Speaker: The Honourable Minister for Tourism, Aviation and Commerce.

Hon. Thomas C. Jefferson: The Cayman Islands Government has submitted a request to the Caribbean Development Bank (CDB) for a loan to assist with financing the development of the Pedro St. James National Historic site into a heritage tourism attraction.

The capital cost of the project is estimated to be CI\$8.68 million, of which funding in the amount of CI\$4.83 million is being requested from CDB as a loan for a period of 17 years. For the first five years of the loan interest only is payable at a rate of 6.75%. During the five years grace period, revenues generated by the project is estimated to exceed the expenditures. The table (that I shall indicate in a few minutes) depicts the Estimated Revenue and Operational costs for the five years period 1997 to 2002.

	Total Revenue	Total Operating Cost	Net Revenue Profit/Loss
1997	\$ 490,435	\$ 679,600	\$ -189,165
1998	1,064,972	706,784	358,188
1999	1,471,851	735,055	736,795
2000	1,743,926	764,458	979,468
2001	1,868,103	795,036	1,075,067
2002	1,959,200	826,837	1,132,363
<i>Total Net Revenue (1997-2002) = \$4,090,716</i>			

The revenue forecasts have been developed based on a combination of gate fees, restaurant concessions and gift shop sales, site rentals, and special events.

The Turtle Farm attracts 28 per cent of cruise and air arrivals to the islands from which the following assumptions were made. Forecast for visitors is estimated

at 77,000, which is the base, increasing in parallel with the growing tourist market to the Cayman Islands.

It is forecast that Pedro St. James will attract 6.7 per cent of cruise passengers in the first year, increasing to 9.1 per cent in the sixth year; and 11.8 per cent of passengers who arrive by air in the first year of operation, increasing to 25.4 per cent in the sixth year.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Minister say at this point in time if it is anticipated by the Government that sections of the entire operation will be handled by the Government?

The Speaker: The Honourable Minister.

Hon. Thomas C. Jefferson: Madam Speaker, it is my recommendation (and I think the Government will receive it) that there will be a board established to run the total project. The restaurant will be put out to tender so that the Government will, in essence, be in control of the overall project, although some portion of it will be private sector driven.

The Speaker: The next question is number 90, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 90

No. 90: Mr. Gilbert A. McLean asked the Honourable Minister for Agriculture, Environment, Communications and Works why the request for the purchase of Block 98D, Parcel 4 in Cayman Brac, next to the Government Administration Building, was left out of the Supplementary Expenditure request on 13th of May, 1996.

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker, the answer: Government, in evaluating the many applications for supplementary expenditure did not consider the acquisition of this property as urgent and relegated this item to the list of other proposed purchases for further consideration at a later date. It was decided that in this instance the owner be contacted with a view of negotiating terms. This is currently in progress.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Honourable Minister say if he is aware that the owner has placed the property on the open market? Or is it presently on hold while negotiating with the Government?

The Speaker: The Honourable Minister.

Hon. John B. McLean: Madam Speaker, I am not aware of what the Member is talking about, but I am aware that the Lands and Survey Department has been negotiating the purchase of this property, as I pointed out earlier. It is hoped that these negotiations can be brought to an end shortly.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Honourable Minister say if he is aware that there is quite an acute shortage of space in the District Administration Building, and the only way that any expansion can be made to the building is to purchase the land to the north because there is none available to the south of the building?

The Speaker: The Honourable Minister.

Hon. John B. McLean: Madam Speaker, I am aware that there is a shortage of space in the District Administration Building. I totally disagree that the only place it can be expanded to is on this piece of land.

The Speaker: The next question is number 91, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 91

No. 91: Mr. Gilbert A. McLean asked the Honourable Third Official Member for Finance and Development what the amount of Government's contingent liability is, including any land bought through owner-financed deals in 1992 to date, with a breakdown by year.

The Speaker: The Honourable Third Official Member for Finance and Development.

Hon. George A. McCarthy: Madam Speaker, the answer: As shown in the Annual Accounts of Government, contingent liabilities totalled: \$80.5 million as at the 31st of December, 1992; \$65.6 million as at 31st of December, 1993; \$88.9 million as at the 31st of December, 1994; and, \$101.8 million as at 31st December, 1995. The 31st December, 1995 figure is unaudited.

In addition, the total amount outstanding for land purchases made through owner-financed agreements entered into by Government since 1992, amounts to \$1,707,597.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Is there any Government policy whereby the Government would propose to cap the contingent liabilities at a certain amount or percentage of the annual budget?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, it is likely that that will emerge during the review of the Public Finance and Audit Law, because the review will embrace the entire financial picture of the Government taking into account direct and indirect obligations.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Honourable Member say if this is an ongoing exercise, and does he have any idea as to when the Government might reach a conclusion on the review?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, it is anticipated that the exercise will be completed by the end of this year.

I should point out at this time (and I think I mentioned this earlier to Members in this House) that the Deputy Financial Secretary is now charging a committee drawing on the senior Heads of Department within Government. We have now reached the stage where we are seeking the assistance of the National Audit Office in the United Kingdom in order to make one of their senior staff members available to carry out this exercise.

The Speaker: The next question is number 92, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 92

No. 92: Mr. Gilbert A. McLean asked the Honourable Third Official Member for Finance and Development how much money was contributed by Statutory Authorities from 1988 to 1996 with a breakdown by year.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Madam Speaker, the answer: The total amount contributed by the Statutory Authorities from 1988 to 24th of June, 1996, was \$18,406,792. I will ask that the figure of "\$19,834,808" shown on the answer sheet be correct to read what I just mentioned. This sum is made up as follows:

1988	CI\$ 1,465,142
1989	2,112,327
1990	2,100,000
1991	1,600,000

1992	1,895,420
1993	3,553,678
1994	4,226,499
1995	793,726
1996	660,000 (Jan - June 24, 1996)

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Thank you, Madam Speaker. Can the Honourable Member say why there is such a sharp increase in 1993 and 1994 in the amounts taken from Statutory Authorities into public revenue?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, I should point out that the biggest contributor from the Statutory Authorities is the Currency Board, which for the year 1993 contributed approximately \$1.2 million. In 1994, the contribution was approximately \$1.9 million. Also, the Civil Aviation Authority contributed \$1.5 million.

In 1995 the contribution from the Civil Aviation Authority was in the region of \$200,000. Discussions at this time are underway in order to sort out the difference that is due to the Government. So, overall, if we were to take it on the basis of contributions by Authority during this period the Civil Aviation Authority contributed \$4,155,604; the Water Authority - \$1,450,000; Port Authority - \$1,365,125; the Currency Board - \$10,806,063; and the Turtle Farm - \$630,000.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Honourable Third Official Member say what method is used by the Government in deciding how much money is contributed by each of these authorities on an annual basis?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: In the first instance, when the Budget is being prepared each of the Authorities is invited to indicate to the Government how much money they are likely to contribute during the course of the year. This takes into account the amount of revenue they are likely to earn, what their level of operating cost will be; once that is defrayed, what will be their likely contribution or reserve provision that will have to be made, and other obligations such as, having to make repayments against bank loans. Once these obligations are determined, the various legislation in place makes provision that once reasonable provision is made to assist them with working capital, the balance is paid to central Government.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: In some instances these Authorities have had to take loans with various banking institutions which the Government has guaranteed. Has the Government given any thought to the fact that if the Authorities have a good year, and show a large profit, that it would be better to allow them to pay back more on those loans at any given time, reducing the overall amount paid in interest, rather than keeping its loan running on an annual basis where it costs more, simply to pay money into central Government?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, it must be borne in mind that often times the loans that are entered into with the Statutory Authorities are strictly on the basis of business arrangements with the bank. It is like having a personal loan. If one attempts to repay the loan much quicker than the time period allocated, unless there is some prior provision in the agreement, the Authority would be penalised.

In addition, the loan repayment is often times set in line with the amount of assets, for example, that will be consumed during that period. So it is not a question of stripping the cash from the Authority, or not suggesting that a more prudent way would be to allow for the repayment. It should be borne in mind that most of these authorities (for example the Port, the Civil Aviation and the Water Authorities) were at one time all departments of Government. The Government looked to their revenue sources in order to make a contribution to the overall revenue available to defray Government's overall operating expenditure.

One or two million dollars from each Authority is very important because, in the absence of this, going into the central pool means that funds would have to be raised from other sources. This is why it is important for the Government to talk with the Authorities on an ongoing basis to monitor the projects to which they are committing their surplus funds. At the end of the day, these are all departments of Government that have been hived off in order to provide services to the community on commercial terms.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Honourable Member say if any attempts have been made to have lending institutions remove a penalty clause in agreements/contracts where the Authorities may be able to repay these loans earlier? Is it the case that by taking money from these Authorities, their ability, efficiency and expansion are affected?

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, as I mentioned earlier, it would be somewhat difficult. It is not a question that the Authorities would not like more favourable terms to be built into the agreements that are entered into by the lending institutions, the lending institutions are often times lining up the cash that is available, or what they are making available through loans with the deposits they are taking in. It is a question of what is often the case (and it will have to be) because they are in the business to earn a profit.

If the lending institutions were to allow for the Authorities to pay off these loans as and when cash becomes available, this would distort their cash position. Let us say, for example, that these institutions get excess cash on hand. The cash will not make money sitting down in the bank, that money would have to be loaned to continue to earn an income. It is a business arrangement that has been strictly entered into.

Secondly, in terms of the efficiency with which the Authorities continue to operate, the Government is a primary backer of these Authorities. It would be very unwise to strip the Authorities of their operating cash knowing that they would be placed in an invidious position. If that were the case, and they are unable to render the services for which they have been established (and this comes about as a result of deficiency in working capital), the working capital would have to be made good by the central Government.

The Speaker: That concludes Question Time for this morning.

Proceeding to Other Business, Private Member's Motion No. 3/96 -Debate of the Report of the Public Accounts Committee and the Auditor General's Report on the Audited Accounts of the Cayman Islands' Government for the year ended 31st December, 1994, and the Government Minute which Relates to it.

Continuation of the debate by the Second Elected Member for Cayman Brac and Little Cayman.

OTHER BUSINESS

PRIVATE MEMBERS' MOTIONS

PRIVATE MEMBER'S MOTION NO. 3/96

DEBATE ON THE REPORT OF THE PUBLIC ACCOUNTS COMMITTEE AND THE AUDITOR GENERAL'S REPORT ON THE AUDITED ACCOUNTS OF THE CAYMAN ISLANDS' GOVERNMENT FOR THE YEAR ENDED 31ST DECEMBER, 1994, AND THE GOVERNMENT MINUTE WHICH RELATES TO IT

(Continuation of debate thereon)

Mr. Gilbert A. McLean: Madam Speaker, it has been several days since this motion was debated and the

House unexpectedly adjourned. The debate, as has just been noted by the Chair, is on the Report of the Public Accounts Committee and the Auditor General's Report on the Audited Accounts of the Cayman Islands' Government for the year ended 31st December, 1994, and the Government Minute.

At the time the adjournment was taken, I was about to turn to the question of dredging as was noted in all three reports. Indeed, much space and comment was given by the Auditor General to the question of dredging. The Public Accounts Committee commented at some length on this issue as well, and in the Government's reply in the Government Minute there was also considerable comment on this particular aspect. In my opinion this is mainly so because dredging is such an important subject, both from an environmental point of view and by the fact that it has been shown that Government has been out hundreds of thousands of dollars in fees which are due to it.

Dredging is one of the major sources of fill on this island and, as such, it is significant for building and road construction. It does appear to be reaching a point where it needs to become one of Government's greatest priorities in determining whether it continues or stops. If it is to continue, within what limit will it be allowed, from a scientific analysis, and should Government be the entity that dredges the North Sound (or wherever) to secure material to be used in the construction of roads and other public works? Would Government then sell the surplus, if there is any?

To say the least, it is not well regulated. The decision on whether to dredge or not falls to the discretion of Executive Council, as has been noted by the Auditor General. The Executive Council takes technical advice on dredging from various entities within Government. Over the years, to date, it has been an ongoing problem for the Government to collect money due. For the entities that have been allowed to dredge, it has been a money making venture. To the environment from which they dredge there has been undoubted damage.

It seems that at this point in time it is extremely necessary that the Government arrive at what will be a sound national policy. The Auditor General identified certain deficiencies in assessing the royalty fee structure. As little as 25¢ per cubic yard has been charged by the Government in some instances. In other instances, 50¢. According to the Government Minute, at this time a decision has been taken to charge \$1.00 henceforth.

The Protection and Conservation Unit, according to the Auditor General's Report, favours charging \$1.00 per cubic yard when the cutter edge is used, and \$2.00 when the dragline is used, as the latter is alleged to be more damaging. However, the Government now seems to decide that \$1.00 per cubic yard is sufficient. It is most peculiar that after all was said a few months ago (in March) regarding an approval the Government had given to extract 600,000,000 cubic yards of fill from the North Sound, that approvals have been given since that time, for example, in South Sound.

Only yesterday the Minister responsible for dredging refused to give an answer to a question on the grounds that it was an open-ended question. So the House and the country are not aware as to what royalties were charged. I have heard that for the operation mentioned it was a grand total of \$500. Now how that would equate to \$1.00 per cubic yard one has to really wonder. According to the newspaper articles and certain photographs that were contained therein, it seems to have been a very large area that was dredged. In fact, it affected the beach-line in other areas.

There seems to be a lot of inconsistency, saying one thing and doing another. The Minister responsible takes the attitude that something so important does not deserve to be answered. This, of course, brings one to the conclusion that all the Government says about dredging and what it intends to do, and has done, may be highly questionable.

Another thing that has been noted regarding dredging is that there seems to be no relationship between fees charged and the actual sale of material extracted by persons who are allowed to remove fill. This has been noted by the Auditor General, although in the Government Minute there is no indication that the Government was prepared to look into this particular aspect of things that would bring more revenue to the country.

Another thing that was found not to be the very best, as far as dredging is concerned, is the swapping of land for the dredging of marl to pay royalty debts. There needs to be emphasis made that when Government, like any other entity, enters into a contract it is expected to abide by that contract as should the other entity. If money is supposed to be paid, then money should be paid, particularly when the persons who extract the marl or fill material can sell it for a profit. They earn cash, they do not earn land. Why should the Government resort to getting land instead of cash? The Government badly needs cash to carry on its operations for the whole country.

Another thing that has clearly emerged from the matter of dredging is that dredging has gone on for a long time too loosely. Most persons and companies do as they see fit, with no accurate check on how deeply they have dredged; and, certainly, there has been poor surveying of how much marl has been taken. In fact, the Auditor General noted that no one really knows how much Government should really be receiving as fees.

The Public Accounts Committee noted that, and I quote: **"The Committee finds it unacceptable that licensees fail to provide timely reports of quantities extracted. This is a major loophole which prevents assessment of royalties payable.**

"A further weakness is that surveyors who are hired to measure quantities dredged report to the licensee rather than to Government." It is clear (or it should be clear) that there is a great necessity to have in place proper means by which Government can know how much of the people's marl is being taken by entities

which receive licences, and that the people receive the fees that should be paid via the Government.

The Public Accounts Committee also made note, and I quote: **"Another worrying issue which concerned the Committee was the frequency with which licensees ignored the financial obligations of their dredging licences..."** Similar comments are also made in the Public Accounts Committee's Report; **"...and there seems to be little or no penalties for so doing."** The Auditor General noted one of the deficiencies as, and I quote: **"...the absence of appropriate debt recovery action."**

I believe the majority of people in this country are concerned about the environment and what dredging does to it. The very least that can be done is for the Government to collect fees that are prescribed for dredging.

In the last Meeting of the House I brought a Motion, which was seconded by the First Elected Member for Bodden Town, asking that Government in its own right commission an environmental impact study on dredging (for which Government would pay, and not any prospective dredger). If the findings showed that more dredging could be done within the North Sound (and I would certainly say any other areas as well where there may be marl) that Government extract that marl by hiring persons in that field, and collect the marl over which it would have control. Thus, Government would not be buying at the rates that marl is being sold by the people who extract it. The cost to Government would be that of having it dredged. If there were quantities that were in excess of the Government's need, then they could sell it and that would be additional revenue.

That Motion - as is usual for many motions which I bring to this House - was not accepted.

Hon. W. McKeeva Bush: Madam Speaker, on a point of order.

The Speaker: Honourable Minister, may I hear the point of order?

POINT OF ORDER (Relevance)

Hon. W. McKeeva Bush: The Member is discussing a Motion that he brought to this House which was debated and dealt with. The Motion before the House now really deals with the Report of the Public Accounts Committee on the Auditor General's Report. While the Auditor General's Report deals with dredging, it is very specific. It is not a general matter. I do not know how much longer the Member can go on, but I would ask that you look into the relevance.

The Speaker: In referring to Standing Order 35(2), it clearly says, **"It is out of order to attempt to revive in any debate a matter or reconsider any specific question upon which the House has come to a conclu-**

sion during the current session..." I do not think that he is attempting to ask for it to be reconsidered. He has just mentioned it in passing, I hope. He should realise that a matter on which a decision of the House has been reached cannot be reconsidered, except on a substantive motion of rescission. The Member has made a comment, and I will now ask him to continue without further reference to the previous motion.

The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Madam Speaker, the Public Accounts Committee Report says this on page 9: "**The Committee recommends the following:- (a) there should be a thorough independent review of all aspects of marl dredging .**" This falls directly in line with the comment that I made about a motion - certainly not one I wish to resurrect because that would be quite impossible. The point is that it is extremely necessary for such a study to be done. Then the Government claims, on page 12 of the Government Minute, "**In 1995, the Government decided that a comprehensive Environmental Impact Study should be conducted on dredging in the North Sound by Government approved consultants.**" My, my.

Now, if they had decided to do that from 1995, why was it so difficult in 1996 to accept that this would be done? To not do so, of course, would not be in keeping with the Government-loaded Public Accounts Committee - on which there is no Member from the Opposition. Additionally, the persons on the Public Accounts Committee who examine the financial position of the country on behalf of the Legislative Assembly are, and I quote: "**Mr. John D. Jefferson, MLA; Mr. D. Dalmain Ebanks, MLA; Mrs. Berna Murphy, MLA; and Mrs. Edna Moyle, MLA.**" The Government claims that it is appointing such a review and that "**...the Protection and Conservation Unit of the Department of Environment is currently finalising the terms of reference of the study along with the required qualifications for the consultants.**" Yet from 1995 to now we have not heard about any progress made by Government in getting this underway. But we hear of studies in various other areas, certainly none of which impacts on the environment as dredging does.

In the Government Minute it is claimed that with the "**...outcome of the study, the Government will be in a position to develop and adopt a comprehensive set of dredging guidelines and, if necessary, legislation.**" How could legislation not be necessary? Why would we want to continue in a situation where, behind closed doors, five elected politicians decide whether there will be dredging or not; to what extent, and how much will be charged for it? There should be legislation, because if there was, at least it should be followed and we would not act at the whims and fancies of persons on Executive Council.

Why have the studies not been done? Why has legislation not been drafted? If one takes into account

what has happened since this time, then, indeed, it seems that the Government is not moving too speedily, except to give more approvals for dredging .

The Government has an obligation to this country regarding this very important matter. It is not sufficient to say that the Protection and Conservation Unit is undermanned and that there is insufficient staff to check regularly to see how much marl is being extracted. Just as persons are appointed to jobs in other areas, if there is a manpower shortage, then persons should be employed to fill the need.

The Public Accounts Committee in (c) of their recommendations said: "**The existing Marine Conservation Laws should be extended to encompass dredging . The Department of Environment should be given statutory backing for its role of protecting the marine environment.**" It also makes a note in (d), "**The cost of environmental monitoring should be passed on to licensees.**" I wonder if what is being said quite regularly - about the Government temporarily halting dredging while it hopes to be re-elected, and then dredging will come to the forefront and things will be hog-wild again - is true. If not, this Environment Impact Study would now be underway.

Also covered in the Auditor General's Report is the matter of pre-school grants. In recent times there have been many claims by the Government, and by the Minister for Education on behalf of Government, about all the grants that have been given to schools, private and otherwise. This has come about, it is claimed, because the last Government decided on recommendation through an Education Study to phase out the reception classes in the Primary School s effective with the 1992/93 academic year.

There have been up to 210 applications for 1995 to 1996, 140 of which have been approved. The Public Accounts Committee arrived at some conclusions as follows: "**(1) Detailed rules and procedures for operating the pre-school scheme were not fully developed by the Education Department, which was not properly resourced to administer this programme.**" I wonder if that has come about since this report? If not, it certainly should, and the parents, the schools, and the public should know what the procedure is regarding this particular exercise when parents seek assistance for schooling their children at pre-school.

According to the Public Accounts Committee report, these budgets have been overspent in 1993 and in 1994. This is an ongoing condition which affects the lives of children; children who, it is said, are the country's greatest resource. It is required by law that the children should attend pre-school. Government should play its part in seeing that this particular matter is dealt with in a way that is consistent with good money management and provide the assistance to those who are in need.

An interesting note in the Public Accounts Committee's report is, and I quote: "**One fundamental weakness of the scheme was the failure of the Education Department to obtain suitable proof of applicant's**

income." There seems to have been large sums of money paid out to persons who were in the higher income brackets than really could have been justified. The Government claims that this has changed, and yet it has not been corrected. Just how it is determined (by how much, and which schools will benefit) I certainly wonder. Are there any clear guidelines on this particular aspect?

This needs to be addressed, which would mean there would not be claims and counterclaims in the newspaper about Government grants, which schools and how many children benefit. What I think it points to more than anything else is the fact that the Government has, over the past three-and-a-half years, failed to set proper guidelines to handle this particularly important matter.

The Auditor General made a point on the question of income, and I quote: **"The income of 52 applicants who are either civil servants or spouses of civil servants were checked against Government's payroll records. The Audit Office found that 15 persons under-declared their invoice by a material amount. Fee assistance provided to these applicants for 1994/1995 amounted to \$37,200.50.**

"It was assessed by the Audit Office that had the correct income been disclosed, at least nine of these grants involving assistance totalling \$24,000 would have been disallowed in full or in part."

We are talking about money, and its importance in being available, in this case for pre-school grants. But we are also talking about money that could, and should, be saved where it is incorrect to pay these particular amounts.

The Speaker: Would the Honourable Member take a suspension at this time?

Mr. Gilbert A. McLean: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.39 AM

PROCEEDINGS RESUMED AT 12.20 PM

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman continuing the debate.

Mr. Gilbert A. McLean: Madam Speaker, when we took the suspension I was commenting on pre-school grants. Overall, I was making the point that there are substantial amounts of money paid to various schools. In fact, in a question answered by the Minister for Education during this meeting of the Legislative Assembly, the total amount for pre-school assistance for 1995 was \$425,668.00. The significance of that is that this amount is more than likely to increase as fees increase and things become more costly. Of course, there are more

children coming into the system for the Government to assist.

Great importance should be attached to what was pointed out in the Public Accounts Committee, and also to the Auditor General's Report, in addition to what I quoted earlier. One of the things stated in the Auditor General's Report is, and I quote: **"No formal rules or guidelines to regulate the operation of the scheme were ever prepared by the department. Another important weakness is the absence of any form of independent check or verification of monthly income and expenses reported by applicants. In the opinion of the Audit Office, this weakness has undermined the basic foundation of the scheme."** Very straightforward, strong language in terms of what is happening in this particular area.

I quote again where the Auditor General says: **"Figure 3.3 shows gross income levels disclosed by successful applicants by bands. Figures include ten unemployed persons and two referrals from Social Services. Four applicants who did not provide details of income and expenses also received full assistance. No upper limit of eligibility was placed on earnings, some 78 per cent of recipients reported annual income levels below \$30,000, which would suggest that most of the 1994/95 expenditure incurred has been directed to middle- to low-income parents."** (page 60).

He also made this comment: **"The Audit Office noted that partial assistance was provided in a significant number of cases in 1993/94. However in 1994/95 partial assistance was provided in only 12 out of 183 cases (6.5%). The Audit Office considered it significant that no application submitted in 1994/95 on behalf of an eligible child was rejected for any reason. The Department later disclosed that present policy was not to reject any applications on behalf of eligible children solely on financial grounds."** Now, that strikes me as dangerous financial management. We are talking about payment of Government's money, and what other reasons would the Government have to refuse the payment of money except on financial grounds? If parents could not afford the money, then, of course, the Government would pay - that would be the main reason for any payment.

Interestingly, in the chart in the Auditor General's Report it shows that persons in the income band of \$80,000 to \$90,000 had received assistance for pre-school; those with income of \$60,000 to \$70,000 had received assistance; those with \$50,000 to \$60,000 had received assistance. Significant, too, is that during the interviewing process of an applicant, according to the Auditor General, **"However no written record of interviews with applicants has been kept, although the Education Department confirms that interviews took place."**

"The Audit Office also located several cases where more than one application form had been

submitted by an applicant. In these cases the objective appeared to adjust the applicant's initial financial position to one less favourable which would attract financial assistance."

What is of great significance is that Government needs to help in certain cases, and in certain cases it cannot be legally, factually, and truthfully justified that assistance is necessary. A policy where no application was refused, based on financial grounds only, is surely a policy that is open to major abuse.

The Public Accounts Committee makes certain recommendations, and in (a) it says: **"...greater media publicity about pre-school financial assistance should be provided to the general public;"**. This only comes out largely when questions are asked here in the Legislative Assembly. I have not seen where any major efforts were made through the media (newspaper or otherwise) to better inform the public. I think that is necessary, and I do agree with the recommendation.

The other recommendation is: **"The Education Department should investigate thoroughly the reason for the low pre-school attendance statistics at certain Government Primary Schools;"**. There were considerable disparities found between the students who are going to the Government schools who had not attended pre-schools versus those who were attending private schools. Recommendation (c): **"The basis on which financial assistance is presently granted to parents should be reviewed. Scheme guidelines should be clear and easily understood by applicants, operationally sound and sufficiently robust to withstand external scrutiny."** (page 14). It seems that those are good recommendations as far as I can tell.

The Government made an effort to be somewhat facetious in its Minute, and I quote: **"The Public Accounts Committee cannot expect professional teaching staff to be qualified credit managers, but if the Finance Committee will provide a post for a Fellow of the Institute of Credit Management, or a comparably qualified person, then these high standards can be met."** I think that is a facetious statement, Madam Speaker, when we are talking about half of a million dollars worth of public funds going into this particular area. I believe they are to be treated much more seriously than the recommendations of the Public Accounts Committee.

We are now into 1996, and we understand that the numbers have risen. Therefore, the need is greater to monitor what is happening with grants to schools, particularly with the regular feature now in the media where the Minister for Education is claiming the generosity of Government in giving money to pre-schools and private schools, and saying that money is given to some pre-schools, when these pre-schools are saying that is not the case. I think it is time to get away from the personality one-upmanship in politics and get down to some hard decisions as to financial management in this area.

Prior to today I covered all of the major areas in the Auditor General's Report that I think have widespread

bearing on the Government's financial management. The only other area that is still outstanding and ongoing is that of the Health Services. It is being pointed out by the Auditor General that there needs to be serious changes made in spending on Advance Accounts into the millions of dollars for overseas medical fees. He states that generally there needs to be improvement in the accounting system at the Hospital, particularly where there is an ongoing 30-million-dollar hospital in the works - money spent in stopping one and starting another - and the fact that we know that the normal fashion of having contracts signed is no longer in vogue. There needs to be great priority and seriousness given to Government's financial management. I think that is what has come out of the Auditor General's Report. There are some good recommendations contained in the Public Accounts Committee's Report - while it left out comments on those matters that affect its Government. I think we can all be guided by this in this particular area of Government.

Thank you, Madam Speaker.

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, I rise to comment on Private Member's Motion No. 3/96 which reads: **"BE IT RESOLVED that this House now debate the report of the Public Accounts Committee and the Auditor General's Report on the Audited Accounts of the Cayman Islands' Government for the year ended 31st December, 1994 together with the Government Minute, subsequent to it having been laid on the Table of this Honourable House on the 18th day of March, 1996."**

Earlier this year in my response to Private Member's Motion No. 1/96 it was pointed out that in regard to the accumulated arrears of \$12.5 million, as set out in the Auditor General's Report, only \$3.6 million related to the year 1994, and the balance represented an accumulation of arrears going back to early 1980s. I also gave a breakdown of this showing the spread of this sum of money, and also the efforts that were being made to ensure what could be collected of that portion deemed to be collectable.

The Debt Collection Unit we have spoken about in this Honourable House on many occasions is now in place and it is doing a very good job. Most of the outstanding debts that are collectable are now being addressed. Notices are being sent out by the Treasury Department and assistance is now being rendered to departments wherever such is sought. We are hoping in time to address the full scope of the arrears of this \$12.5 million. Once that is behind us we are hoping that we will not find ourselves in the position as reported by the Auditor General in his Report as at the 31st December, 1994. But, as I mentioned earlier, this is an accumulated-arrears position.

Interestingly, when I provided my response to Private Member's Motion No. 1/96, it was pointed out that

quite a substantial portion of that sum was made up of amounts that were overstated by controlling officers. I gave some examples, whereby if we took the Customs Department import duty which was stated as being \$1,127,339 that was overstated by \$468,645. Also included in the remaining sum of \$658,694 was an amount of \$180,000 representing inter departmental transfers. It was further pointed out that of this reduced balance \$306,100 was collected, leaving a balance of \$172,594 to be addressed during the course of 1996.

It was also pointed out that the sum shown as owed for tourist accommodation taxes was \$1,081,467; of this sum only \$620,704 applied to 1994. The remaining balance of approximately \$1,019,000 was made up of \$587,000 due from the past owners of the Ramada Treasure Island Hotel (and this was a sum accumulated between the period of 1986 through 1989), and \$411,000 due from Hospitality World - and I should point out that negotiations are underway to put an agreement in place whereby the balance will be paid off. This has been spearheaded by the Manager of First Cayman Bank. I will give him credit on behalf of the Government for coming forward with a workable approach that will resolve this issue.

I also pointed out that \$75,000 was due from the past owners of the Cayman Kai Resort. That establishment has long since been in liquidation and the amount at the time was reported to us as being uncollectable. When we look at the \$12.5 million, I think enough has been said on it to suggest that this is not money that was collectable. What we need to do (and efforts are under way to achieve this) is to factor out those amounts that are uncollectable from that sum and seek the necessary approval in Finance Committee for those sums to be written off. We have commenced this exercise by looking at the outstanding hospital fees. An exercise has been done by the Director of Internal Audit and a report has been submitted to the Ministry. Once that report is accepted the necessary approval will then be sought for those amounts deemed to be uncollectable to be written off.

I think it would also be useful if I were to read the specific response of the Government as set out in the Government Minute on the Auditor General's Report in relation to these outstanding arrears. Madam Speaker, I quote: **"The Government wishes to reassure this Honourable House that it is firmly committed to taking the necessary corrective action to reduce arrears of revenue and will take a hard line with outstanding debts. Wherever possible this may involve the discontinuation of Government services to delinquent debtors.**

"Notwithstanding this commitment, however, it is important to recognise that some debts which make up the \$12.5 Million reported in the Government Accounts may well prove in practice to be irrecoverable... As outlined in the Financial Secretary's response to Private Member's Motion 1/96, this sum includes certain amounts which have been out-

standing since the early 1980s and which have proven to date to be uncollectable.

"In addition, the various amounts comprising this sum as provided by the various departments were, in many instances overstated and in the majority of cases, the amounts advised could not be corroborated by documentary evidence. In the absence of proper documentation, it is the view of the Government that the amount due and likely to be collectable could be in the region of \$6 to \$7 million.

"Against this background, the Government will undertake the following actions:-

- (a) strengthen the organisational structure and the staffing of the Treasury and the other departments in order to assist Controlling Officers to properly record debts, collect current debts, and deal with the backlog of old debts;**

"In addressing this issue, the first task of the new Debt Collection Unit of the Treasury will be to carry out a thorough review of all amounts owing to ensure that such debts are properly recorded, valid and collectable. Those amounts deemed to be uncollectable, will be immediately recommended to Finance Committee for write-off. However, once the amounts stated as outstanding by the various departments can be substantiated, every effort will be made to collect these monies.

- (b) improve existing financial systems and procedures so that revenue is collected efficiently and on a current basis through the implementation of an integrated financial information system known as IFHRIS which, inter alia, electronically records and tracks debts, the details of which have been made known to this House during this Meeting;**
- (c) amend existing legislation in a number of areas to improve the position of the Government vis a vis outstanding debts in the event of liquidation and bankruptcy of its debtors; and**
- (d) utilise a local firm of attorneys and/or debt collection agency to assist with the debt collection process."**

I am following the closing remarks of the Second Elected Member for Cayman Brac and Little Cayman who made the observation as recorded by the Auditor General as to the need for sound fiscal management. That has never escaped me as Financial Secretary, or escaped this Government or the past Government under which I worked as Financial Secretary. At no point in

time can I recall any situation where a deliberate attempt has ever been made to practise financial imprudence. As resources are becoming scarce and demands are growing against those resources, it calls for greater management of those resources in a prudent manner.

We have seen over the years where practises have evolved which require that certain methodologies be changed. For example, when we put in place the Public Finance and Audit Law in 1985. At that time it was the general view of the region and those who have since looked at our Public Finance and Audit Law, and the Financial and Stores Regulations, that they constituted state-of-the-art financial procedures. In 1993 a consultant, Mr. Coddington, engaged by the United Kingdom Government to review financial procedures in the Dependent Territories came to the Cayman Islands. He looked at what we had in place, and today our system has been recommended for implementation in the other four Dependent Territories.

I should also mention that a Review Team Chaired by the Deputy Financial Secretary, including senior Heads of Departments and representatives from the Auditor General's Department, has been formed into a committee to carry out a review of the existing Public Finance and Audit Law, and also to look at the Financial and Stores Regulations. We sought to recruit a consultant, and the Deputy Financial Secretary, together with the Government's United Kingdom representative, Mr. Thomas Russell, recently interviewed several candidates. The wife of the candidate of first choice will be going into the hospital about this time for an operation. As a result of that he cannot take up this position. We recently got in touch with Mr. Russell regarding this matter and efforts are underway at this time to recruit someone who, hopefully, will get the job done.

No attempt is being made to take the Government's financial position lightly. Like the Auditor General and Honourable Members in this House, we are all concerned that the finances of Government are properly managed. In this regard, the Treasury is made to provide monthly reports on the financial position. These reports are normally submitted to my office and are shared with Members of Executive Council. This is why, when we have a meeting of Finance Committee (such as we did in May) and we come to this House, the relevant financial information can be shared with Honourable Members of the House.

One of the things that should be borne in mind, however, and it is often suggested that the Budget should be "carved in stone", that amounts set out in the Budget should not be subject to change - I would believe, to a given extent, this would be somewhat unrealistic. When we look at the budget process, for example the year 1996, that would have commenced around March or April where controlling officers would be asked to state their requirements for the year 1996 as best as they know how. Meetings would be ongoing with those controlling officers through the end of June, July, or August. At this time they would have quantified their needs

and those needs would have been submitted to the Financial Secretary's Office or to the Budget Unit.

When we quantified the requirements for the year 1996, we had a Budget in excess of \$300 million. If that were to be allowed, the Government would have to look for new revenue measures in order to fund that level of requirement. The view was therefore taken that there was a necessity to cut back as much as possible in order to bring the resources in line with the demands. This is why we have a Budget today approximating \$202 million out of which over \$2 million will be funded from loan funds. It is suggesting that we are looking at approximately \$176,000,000 from local revenue coming in. This is why when meetings of Finance Committee are held, like the one in May, often times the projects set out in the agenda are not new projects and they are not projects that were not presented during the Budget session for consideration. It is a question of balancing the matching demands with resources.

As I mentioned earlier, if all of those projects were considered and brought to this Honourable House, and Members were presented with a Budget for over \$300 million knowing that existing revenue sources in place could only support \$174 million, and looking in terms of what would seem to be a prudent limit on borrowing, let us say for example, that prudent limit (given the existing Public Debt) was deemed to be \$20 million; that would have taken the resources available up to approximately \$196 million, which means that the additional sum of money would have to be raised from Local Revenue. The other alternative would be deficit financing, or creating an overdraft against which there would not be the necessary approval because we do not know where the money would be coming from before proceeding with expenditure.

I remember the Mail Sorting Centre being put forward by the Public Works Department. But as a responsible Financial Secretary, I could not bring a Budget to this Honourable House totalling over \$300 million on behalf of the Government and say to Members of this House, "Now, we have only \$176 million to fund all these requirements, where are we going to get the rest of money?" If we consider the limited revenue sources that we have and the impact that would be created in terms of trying to introduce new revenue measures, we would be talking about over 50% increase for the average householder.

Notwithstanding that, I will not say that some of the points that have been raised by the Auditor General or the Second Elected Member for Cayman Brac and Little Cayman should not be taken into account. All of us are striving for the same goal, that is, prudent fiscal management. We want to ensure that we do not incur a situation of indebtedness that becomes an unbearable burden to future generations or to ourselves. As a result of that, we have to look very carefully at what we are doing.

A lot has been said about the arrears position, but we should look at that and the circumstances that would

have given rise to it, even taking into account the elements of the overseas medical assistance. The Second Elected Member for Cayman Brac and Little Cayman mentioned what the Auditor General said about the thousands of dollars in debt being incurred by various persons. For example, take someone becoming ill and having to be sent overseas for medical treatment. It starts at a given point in time and, if we were to take a time line and say starting at point "A", this person will go and probably have to spend one, two or three weeks. A further trip may be required and several others. So when it gets to the point where it is said that someone owes \$200,000 or \$300,000. This is not for a one-off treatment. We are talking about treatment over a protracted period of time.

In this regard, the Honourable Minister for Health is now working on the National Insurance Scheme, and he will be expanding on this. This is in an attempt to try and alleviate this burdensome cost, because sickness does not give notice, Madam Speaker, when it is coming upon anyone. We are hoping that this will be in place in order to alleviate that situation.

When we look at where we are - and I heard on the news this morning about one country that is into a debt crisis situation. At this point in time the International Monetary Fund is being blamed for having introduced onerous and burdensome measures. Every one of us is trying to get to that point where we do not have external organisations coming in and dictating what our fiscal policies should be.

Planning is very important. In this regard it was mentioned earlier that a Medium-term Development Plan had been prepared and submitted to be reviewed by the Government. While it has not been tabled in this Honourable House, it has been broken down to a given extent (where possible) and implemented through the Budget process.

We know what the ideal situation is. We know what we are striving for, and collectively by pooling our wisdom and our ideas we will get there. When we look at the Budget process, I, myself, can find fault with it. Any Member in this House can find fault with it, this includes Ministers of Government and Members of Government. For example, when I take up the budget document... and I noticed recently the Fourth Elected Member for George Town having difficulty with it, in that he thought sums were not provided in 1996 whereby the sum previous to 1996 was classified to be funded by Local Revenue and funds for 1996 are under the classification for Local Loans. What we should really have in place is a capital development fund where a decision is taken that, for example, a given percentage of General Revenue is going to be put into that fund. If borrowings are to be made, it will go into that fund based on needs. So we will not have the case where we have an education project costing \$3 million, for example, and \$1 million out of that will be funded by Local Revenue and is put under Head 51. Let us say, for example, the other element of it is to be funded by Local Loans and that is put under Head 52.

We are hoping that the Budget document will be brought together in an integrated process. This is what we are hoping will emerge from this financial review that is being undertaken; where the project will be set out, the life of the project will be given, the costing of it will be given; then the financing from it will be set out; how much will be coming from Local Revenue, how much will be coming from Local Loans.

We know all of these things to be the ideal and we are striving towards all of them. I would like for Members of this Honourable House and members of the community to note that ideas for improvements are always welcome. We are doing our best, we will continue to do our best, and as far as I am concerned I have not seen evidence of reckless disregard for the use of resources. What I gleaned from everything that has been said is that we should try to improve the methodologies of how we look at managing the resources that we have. So that we can optimise the benefits to be derived.

Thank you, Madam Speaker.

The Speaker: At this time proceedings will be suspended until 2.30 p.m.

PROCEEDINGS SUSPENDED AT 1.03 PM

PROCEEDINGS RESUMED AT 3.03 PM

[Hon. Edna M. Moyle, JP, Deputy Speaker, in the Chair]

The Deputy Speaker: Please be seated.

The debate on the Public Accounts Committee and the Auditor General's Report continues.

The Third Elected member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker, and it is nice to see you in the Chair.

I rise to offer my contribution regarding Private Member's Motion No. 3/96. Earlier this morning the previous speaker mentioned the selection of the Public Accounts Committee. I remember distinctly the selection to appoint members to serve. We did not know that the Second Elected Member for Cayman Brac and Little Cayman was going to pose as Opposition until he announced it the day after the Committee had been selected. The First Elected Member for Bodden Town was part of the National Team, but did not volunteer to serve on the Public Accounts Committee as he was the previous chairman from 1988 to 1992. I guess he was waiting to serve as a minister.

However, the points that were mentioned in the Auditor General's Report were points we also mentioned in the Public Accounts Committee's Report. So it goes to prove that even though we are the Government, as the Second Elected Member for Cayman Brac and Little Cayman claims, those points were brought out. We are there as watchdogs for the Government's accounts and are to be impartial.

I feel that the Public Accounts Committee Members were very impartial in bringing out the points raised by the Auditor General and we made recommendations on them. The area of the Debt Collection is still a major concern for all of us - Government, Opposition and National Team. Until the public changes its attitude that 'it is the Government and Government can afford it,' then there will always be large sums of money to be collected by the Government. Unfortunately, this is a very poor attitude and a misconception. Nothing is free. Someone has to pay for it, whether it is medical bills or garbage fees, which also has a very high amount outstanding to the Government.

I believe with all of the outstanding debts, there are certain debts that should be written off. But any business has "X" amount of dollars that have to be written off annually, at least according to my private business. There are certain debts that have to be written off. Government probably has to do the same. However, because of the amount of debts that have to be written off by the Government, it has to be determined by the length of time it has been outstanding and the chances of collecting it.

The Statutory Authority that was appointed to collect outstanding overseas medical fees has been disbanded. That was a good idea. Persons do not pay these bills. Sometimes it is not that they do not want to pay, they just do not have the means to pay. The Government then has to pick up that responsibility. I am sure that the introduction of National Health Insurance will eliminate some of the problems that the Government faces with outstanding bills.

In listening to other speakers debating the Auditor General's Report, I have one point that I would like to share. We are the Elected Representatives who vote the funds, then it is up to the civil servants to use those funds in the way we appropriated them. About the Government managing the money: We, as Elected Representatives, do not manage those funds. It is left to the Permanent Secretaries and other civil servants down the line. In the debate this morning, speakers mentioned "the Government," and "poor management of funds." That is not the elected representatives. This is why we have a Public Accounts Committee to go over and make sure that the people who are managing those funds are doing it to the best of their abilities. In the Public Accounts Committee's Report there were recommendations, and I hope the Government will take up those recommendations.

Regarding the radio and television fees, there is the big question as to how much is to be paid to the Government. However, that contract was written before the National Team Government took office. Therefore, that must have been another "sweetheart deal" that Mr. Linford Pierson talked about that his Government was capable of doing.

In the Losses and Waivers it talks about the Westin Hotel getting a rebate on duty concession. When we took over, there were no large projects slated, and we

decided that in order to enhance and get development going, this reduction would take place.

I heard the Second Elected Member for Cayman Brac and Little Cayman speaking about a "sweetheart deal," and that he would provide more information. I would like to challenge that Member: If he does not have proper information, then do not get up on the floor of this House and talk about a sweetheart deal that he will provide information for at a later date.

The dredging in the North Sound. The impact study to be done by the Government was questioned. In His Excellency's Throne Speech of this year, he said that there will be no further dredging in the North Sound, therefore no impact study should be done. However, there are recommendations made by the Public Accounts Committee in determining and following through with dredging contracts to make sure all the royalties are collected. Again, this goes back to the various departments. If there is a problem, then it should be taken to the Ministry responsible, which, again, the Permanent Secretaries are responsible for passing them to the Minister. The Ministers have a lot of responsibilities and can only take care of problems if they are brought to their attention. That is why they have Permanent Secretaries.

One of the things that the Auditor General mentioned in his report was that he would recommend that the Public Accounts Committee have a stand-alone report. Now when the Public Accounts Committee receives the Auditor General's Report it is very difficult because it is usually September when it is received and the Public Accounts Committee spends a very long time reviewing this report, in coming up with the Public Accounts Committee Report. It is very time consuming. The reason is that the accounts from the various departments are not available and it takes the Auditor General a very long time to go through and audit these reports.

If we were to have more than one report, then it would also be very time-consuming for the Public Accounts Committee as well. However, most audits are done on a yearly basis. We did not recommend the stand-alone report, and I am sure that Government will look at it. But I hope that they will not consider a stand-alone report as recommended on page 76 of the Auditor General's Report.

Regarding the Standing Public Accounts Committee on the Report of the Auditor General on the Audited Accounts laid on the Table of this Honourable House, I feel that the Members of the Public Accounts Committee did a very good job in being impartial while pointing out to the Government things that need to be corrected. Hopefully, they will take what we have recommended and work with them. As a matter of fact, the Honourable Financial Secretary in his contribution mentioned that the Debt Collection Unit was up and functioning. I know of various people who have received statements for outstanding bills owed to the Government.

I cannot support what the Mover of this Private Member's Motion has said in his debate. Thank you, Madam Speaker.

(pause)

The Deputy Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Thank you, Madam Speaker. It is so good to be able to stand in this Honourable House and know, as does the public of the Cayman Islands, that despite what has been said here about debt and economy and that sort of matter... the economy of this country has never been better. If anyone cannot recognise that business is good, it is probably because they do not have any business. So you cannot expect the Opposition Members to even recognise whether the economy is good or bad. Everyone in this country knows that the economy is good because the National Team Government, despite all the negative and backward approaches of the Opposition (and when I say that, I include the opposition in the public, not just in this Honourable House) who have tried so hard to keep down the economy and to destroy it.

The Government of this country and the National Team have within it capable, experienced Members who are capable of running a country, and who have proven that over the years. The public has to take a lot of the rhetoric and criticism that comes from the three Opposition Members of this Honourable House, who have really never sat in a Government and have never had the responsibility of running a country, with a grain of salt. It is a heavy burden, but the proof of the pudding is very clearly in the results of the economy of this country. The economy is good, and therefore there is nothing that the three Opposition Members can put up that can affect that.

I should point out that those Honourable Members contributed nothing to the economy reaching the boom that it is in. So when the electorate of this country, with this vibrant economy, goes to the polls, they should always remember that it was the National Team which has put this country where it is and took it out of the financial disaster that it was in when we took over four years ago.

No matter what they may attempt to say, there are no other politicians out there who are attempting to run who have the ability to run this country - most of them do not have the ability to run their own business. Some of them do not even have a business of their own. If they cannot help themselves, they cannot help others. In fact, Team Cayman is made up of several members who are retired, some unemployed, none of them, absolutely none, have any experience in Government.

POINT OF ORDER
(Relevance)

Mr. Roy Bodden: Madam Speaker, on a point of order.

The Deputy Speaker: The First Elected Member for Bodden Town, may I hear the point of order?

Mr. Roy Bodden: Yes, Madam Speaker, the point of relevance. Is the Honourable Minister discussing the Report of the Auditor General and the Public Accounts Committee and the debate put down by the Mover, or is he discussing the composition of Team Cayman?

The Deputy Speaker: Honourable Member, I am certain that the Honourable Minister is leading up to his debate on the Public Accounts Committee's Report as we have strayed pretty far from the debate on the relevant issue before us.

Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Thank you, Madam Speaker.

One of the several important matters debated at length by that Honourable Member's leader, the Second Elected Member for Cayman Brac and Little Cayman, dealt with the chapters in this report that deal with the economy, the public debt, the revenue collection. Surely, I have every right to deal with these matters in the Auditor General's Report. The problem is that the First Elected Member for Bodden Town does not like to hear the truth. The truth of the matter is that the debts of this country have been kept down, its revenue has been increased, because the Government and the National Team are made up of people who are capable of running this country and who have proven that they are capable of putting this country in an economic boom.

No matter what can be said, anyone who says this country is not in an economic boom, and that business is not good, then they have no business themselves, so they would not know.

When we take a look at some of the areas that have been dealt with we realise that a lot of the arguments put forward in relation to the fact that there is not sufficient planning is all the height of nonsense. The proof of the pudding is in the eating. The economy is good. What the National Team and the Honourable Financial Secretary have done has worked. So what is the use of trying to criticise and let the public believe that the times are not good? The dilemma that the Opposition is in is that they do not know how to make an economy good. We have proven it, and therefore they remain in economic darkness.

The question of the public debt set out in paragraph 8 of the Auditor General's Report of 1994 is debt that the National Team's Government inherited from the colleagues of the present Opposition. The debt is made up of many years of previous debt. I would therefore like to go back and show how this is structured.

When the country was taken over four years ago, we need to look at what the debt was then because that debt was passed on to the National Team's Government. I would like to refer to pages 2, 4, and 5 of the 1992 Report of the Auditor General, because the Oppo-

sition is trying to let the public believe that their colleagues, Mr. Linford Pierson and Mr. Ezzard Miller (who were put out of office four years ago) had some ability. Let us look at where the country had reached in 1992.

The Auditor General (at paragraph 4 on page 2 of the 1992 Report) said this: **"It will be observed from Table 1 that Government's overall financial position, excluding transactions undertaken on behalf of Statutory Authorities, deteriorated further in 1992, continuing the trend established in 1990."** The economy of this country deteriorated every year from 1990 straight through to 1992. These are not my words, these are the words of the Auditor General. No one can dispute that fact. I would like to stress what he has said: **"That Government's overall financial position deteriorated further in 1992, continuing the trend established in 1990."**

The report goes on to say on page 4: **"The annual deficit before financing increased from \$12,973 million to \$16,877 million."** So they had a deficit in 1991 of \$12.973 million, and that deficit increased to \$16.87 million in 1992. This is important. We are now dealing with deficits. It goes on to say, **"Local revenues were insufficient to cover recurrent expenditures and the recurrent account moved from a 1991 surplus of \$1.854 million to a deficit of \$3.624 million..."** Financial deterioration! The country was in a bankrupt position, and I am going to prove that relating to the debt as raised in the 1994 accounts and referred to here. I read on: **"The accumulated deficit on recurrent and capital accounts since 1990, after crediting loan proceeds, exceeds \$30 million."** The country had lost \$30 million in less than three years. The Auditor General went on to say, **"...the Surplus and Deficit Account recorded an accumulated deficit of \$7 million at year end 1992."** This is significant, and I will show from the accounts in relation to what has been repaid on the loans on the public debts that were left during our time, and the fact that we contributed in the area of \$55 million, including this year's estimates from Recurrent Revenue to Capital. That is profit.

The Auditor General goes on to say, **"Government expenditure has been increasing at a faster rate than local revenue since 1990 - an annualised rate of 14.5%..."** This is clear. The debt that we were left with... the Auditor General said that the expenditure was increasing more rapidly since 1990. It is important to appreciate that when the Government before that, the 1984 to 1988 Government which included very capable men such as Sir Vassel Johnson and Capt. Charles Kirkconnell - good businessmen who actually had businesses and had been involved in running big businesses - they left money. The deterioration came a year after their budget from that previous Government had been put through.

The Auditor General goes on to say, **"Above line cash outflow was \$14.91 million as against \$1.263 million in 1991, placing strain on Government's cash**

balances. Total above line cash outflows since 1990 exceeded \$30 million." That is frightening. If these are the colleagues who are running for the Government in this country along with the three Opposition Members in here, then the good Lord help this country. With a record like this, they spent \$30 million more dollars between 1990 and 1992 than they took in. This is the Report of the Auditor General that has been laid on the Table of this House. No one can dispute it.

The Auditor General in the 1992 Report goes on to say, **"A transfer of \$3.5 million from the General Reserves, combined with \$5.2 million of favourable cash flow below the line, limited net cash outflow to \$6.185 million for the year."** Then he goes on to say, **"Government's cash balances, which had stood at \$13 million at the beginning of 1990, were exhausted by year end 1992."** They were broke! The country had been brought to its knees.

The Auditor General goes on to say, **"During the year it was necessary to increase Government's overdraft facility to \$9 million. At year end 1992 Government's net assets were only \$3.16 million."** Does the country realise what that means? The Auditor General said that at year's end 1992 Government's net assets were only \$3.16 million, down from almost \$30 million in 1990. The country had been striped of its cash, striped of its assets, and it was broke. I am not saying this, Madam Speaker. Hopefully the Press, if they do not have this Auditor General's Report of 1992, will either pick one up, or I will be happy to give them a copy.

What is very clear is that the public debt that we inherited, at least \$30 million of it was incurred between the years 1990 and 1992. There is this talk about the pension contributions. Listen to this, the Auditor General reporting on the last Government in 1992 said, **"The Pension Contribution Reserve (1991: \$3,373,300)...,"** and I know that we had one Government Member on the floor of this House who tried to take that and put it into the General Reserves when there were no General Reserves at the time. So the hard facts that are set out in the 1992 Auditor General's Report are that this country lost \$30 million and had a reversed cash flow of \$30 million between 1990 and 1992. That is why the country was in an economic recession.

If the public puts Mr. Ezzard Miller and Mr. Linford Pierson back, they will strip this country of the little cash that we have been able to build up.

The previous Government had a negative cash flow (or losses) of \$30 million. It is not me who is saying this, this is the Auditor General in 1992. He talks about the deterioration of the finances of the country. I submit, Madam Speaker, that it was a financial disaster. Added to that, we must not forget - because Cayman Airways is referred to in this 1994 Auditor General's Report - that during that same time there were losses in Cayman Airways in two and a half years of \$34.4 million. The country was basically stripped of all cash; it had no credit, because we know that that Government could not raise the \$20 million loan for Cayman Airways Limited and

now we hear nonsense about the country not being in a good position.

Let me just tell Honourable Members where we are now, because I have laid this on the Table of this Honourable House and it is signed by Mr. Mason, the Accountant General. It states: "**The financial information 1993, 1994 and 1995, the contribution of Government Recurrent Revenues to Capital Expenditure over the past three years is as follows:- 1993, \$11,176,996; 1994, \$13,944,551; 1995, \$16,826,595.**" A total of \$41,948,132. A positive cash flow - a profit. This is like taking \$41.9 million out of your wage as an individual and putting it into capital expenditure such as a house. This is unheard of, because during the period of the last Government they did not make enough money, as the Auditor General said, to even pay for their recurrent expenditure. On top of that, they put \$20 million in taxes on the country which, when you multiply it, was not the \$10 million put on the first year, but remember that \$10 million continued through year two, and year three. Then they added a further \$10 million to that. Even raising the \$40 million in taxes over the three years, the country still had a negative cash flow of over \$30 million.

Today, we have paid back about \$20 million on the past Government's debt and we have only borrowed \$8.5 million until this \$10 million that is now before the House.

The Fourth Elected Member for George Town talks about "no planning." Look at what his contemporary, Mr. Linford Pierson, did to this country. Look at where it is now. I submit that if this country puts those people back in, they will do the same things all over again. We will find that it will be financial rape of the country.

There was no planning. The only planning the last Government did was to plan how to spend money, because they spent more in four years than this country had made in the past eight years. They had no plans. They had nothing. Today, for the first time (and I will deal with that at a later stage) there is a 5-Year Education Plan in place, which the Fourth Elected Member for George Town apparently does not know anything about. He has said that there is no planning for education. Three hundred and fifty-three people: students, teachers, parents and the public put together a 5-Year Medium-Term Plan on education, and Members stand up in this House and say that there is no planning for education.

The Honourable Financial Secretary knows where he is going if he has a good Government (as he now has) with him. Over the past three and a half years, even though we have put back \$90 million between capital and repayment of loans, we had only borrowed \$8.5 million - another \$10 million is not going to hurt this country. It is peanuts compared to what the last Government did.

So, all of this attempt to try to tell the public that the economy of this country is bad, is nonsense. The public is wise, Madam Speaker. They are all out there in good jobs making money. When they get ready to go to the polls they know who is speaking the truth, who is not

speaking the truth. If there was no planning, as the three Opposition Members, especially the Fourth Elected Member for George Town, allege, how could the country be where it is? If there is no planning and things are supposed to be so bad, how do they explain why things are so good? These are the hard facts in the country and the people know it. Instead of taking a positive approach and trying to help the country move forward, they take a backward approach, at least two of the Opposition Members, in attempting to pull this country down.

Let us look a bit further (I would like to come back to another area of this at a later stage) at the area relating to land purchases beginning on page 27, and what the Second Elected Member for Cayman Brac and Little Cayman tried to make out in relation to the purchase of the property in Spotts. The Report of the Auditor General on page 28 states this: "**Taking into account the financing concession, the Lands Officer has concluded that the prices to be paid for these properties are within the 20% tolerance permitted in the official guidelines.**" I concur with his conclusion. The Auditor General has said that the purchases are within the Government's guidelines. In fact, the percentage for one of the purchases was actually below the amount that the Auditor General had suggested. It was 0.4 per cent or \$1,823.00 below the valuation that had been put on by the Government's valuator.

So what are they attempting to make out of this? The land had been bought over a period of six years through an instalment agreement. That, as I explained last time, is usual - people buy land on instalment, especially Caymanians. They buy a lot of land/parcel on instalments and five or six years later the land is worth a lot more; they take a transfer, they pay the stamp duty on the value at the time. More recently, over the last few years you can pay the stamp duty up front on an agreement for sale, but that carries a risk because if you do not complete the agreement you have already paid the stamp duty. While that concession exists and is used by some people, some people do not use it because they would be paying the stamp duty up front long before they are in a position to take title for the property.

The Auditor General has stated that despite what may have been alleged, the prices paid for the properties are within the official guidelines. Therefore, the purchases for the sporting facilities are in order. Anyone who says otherwise is either not telling the truth or they do not want to read the truth of what the Auditor General has stated.

Let us look at page 31, beginning with the first project and analyse what went on. The first project there is SafeHaven, the licence date was June 1998; the dredged quantity authorised in cubic yards was 1,400,000; the basis of royalty was 25¢ per cubic yard. Did we hear anything from the Opposition about the cheap dredging prices that the last Government gave out - their colleagues whom they are now running with, who were rejected from Executive Council by the public.

This is the largest dredging contract on the list here (and I believe in the entire island), that was ever given out and it was given out at 25¢ per cubic yard. Ask Mr. Linford Pierson and Mr. Ezzard Miller why they gave out that contract (the largest contract) at 25¢ per cubic yard. Even more than that.... By the way, let me make very clear that all of the royalties on dredging that were owed to Government have been paid. I need that to be made very clear to the three Opposition Members: ALL DEBTS OWING ON ROYALTIES TO GOVERNMENT HAVE BEEN PAID!

Let us look further at the SafeHaven project. We see that on page 22 of the Auditor General's Report of 1992, and I quote: **"The minimum current rental value calculated was US\$277,000 per annum and was based on 277 acres with a capital value of US\$10,000 per acre and a required rental rate of return of 10% per annum. This would have generated a total income stream of US\$27.4 million over the life of the 99 year lease before applying the recommended 10 yearly rent reviews. However the Lands Officer subsequently confirmed to my Office that this valuation failed to mention that the present value of SafeHaven's remaining leasehold interest would have to be offset against any new lease rental."** So it would have been about 4/10 of this taken off which left approximately \$16 million. On this same land where the dredging was being carried out, the Auditor General had this to say: **"No formal valuation of this was ever carried..."**, further down it states: **"Negotiations were concluded within two hours and a premium of US\$940,800 was agreed to be recommended to both sets of principals..."**, and at a later stage it was stated that Executive Council rejected that and accepted \$2 million. Now the dredging that was taking place in SafeHaven was being pumped onto Government's land under lease.

We know that along with the 25¢ per cubic yard royalty given to SafeHaven, the Government's valuator valued the lease extension at \$27 million, and Executive Council put it through at \$2 million (\$1 million down and \$1 million over ten years). All part of a package. This was negotiated personally by Mr. Linford Pierson. I will read that from the Public Accounts Committee's Report which relates to this. First, the valuation that the Government gave was \$27.4 million for the extension of the lease. Mr. Linford Pierson put it through for \$2 million and he, therefore, has taken from this country (possibly when it is prorated), in the area of \$15 million which he could have received on it. Along with this out went the royalty on the dredging at 25¢.

I would like to make clear that a lot of this was done as a package. If this country remembers, Mr. Linford Pierson was trying after that same piece of Government land was dredged, to transfer the Courts Office down to SafeHaven and put it on leased land of Government's in one of SafeHaven's buildings. It was all part of a package - a "sweetheart deal" - and a conspiracy that took

from this country at least \$16 million with the stroke of a pen.

The Speaker: Honourable Minister, would this be a convenient time to take a 15-minute break?

Hon. Truman M. Bodden: Yes, Ma'am.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 3.55 PM

PROCEEDINGS RESUMED AT 4.15 PM

[Hon. Speaker in the Chair]

The Speaker: Debate continues, the Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Thank you, Madam Speaker.

On page 31 of the 1994 Auditor General's Report, we find that in relation to the SafeHaven project (which I had been speaking on earlier) the low royalty of 25¢ that was paid on that. In Note 1 it says: **"File for SafeHaven was archived and was not made available to the Audit Office."** I understand that that basically means the file is gone. So what has been recorded in here is probably (or could be) only half of the story of what took place. I guess looking at that note, my question is, where, then, is the SafeHaven's file relating to dredging?

The position that the Second Elected Member for Cayman Brac and Little Cayman tried to press home on that section carries no weight. If one looks at these contracts for dredging, most of them were given out by the last Government or the Government before that. The largest one on the list, which we know was linked to a swap of lands somewhere in Colliers and some ten acres in Frank Sound. Part of the dredged land in SafeHaven was given back to them, extremely valuable land, for a piece of land in the back lands of Frank Sound, which I understand was not filled.

The position regarding the environmental issues section on page 37 is now clearly dealt with. The Government's and the National Team's policy is that there is no dredging licence granted by us other than the two exemptions where contracts exist. As is shown in the Report of 1994 they have existed, since October 1988 in one instance, the other just prior to this Government taking office. We look back at what was put forward by the Opposition Members here, that dredging should continue and an Impact Study should be carried out. In fact, there had been an Impact Study carried out previously, which as far as I can remember, had recommended that some 12,000,000 cubic yards of fill could be dredged from the North Sound. This Government has not really allowed any dredging. The small amount that has been dredged up (which is set out on page 31) is a total

authorised amount of 4,500,000 cubic yards of which we know a part was never dredged at all. The situation as far as we know is that we will endeavour to deal with environmental issues in a sensible and reasonable way having regards to all the facts that exist at the time when the matter is being reviewed.

Very little can be said at page 39 in relation to the cost for the refugees because these decisions were taken by all Members of this Honourable House, not just the Government or just the National Team. This was a national issue and, therefore, it was one that was put to all Members of the House and dealt with in that respect.

The other aspect of the section relating to dredging that exists here seems to be well replied to in the Government Minute that was presented to this House. Where it has been stated that the proper controls and accounting under the Government Debt Collection Unit have been put in place to deal, not only with this but with many other areas that require attention by that department.

In fact, it is stated on page 13 of the Government Minute that the Government will be in a position to develop and adopt a comprehensive set of dredging guidelines. It has also been stated that the Protection and Conservation Unit of the Department of Environment will continue to monitor the projects. There are really none in operation at present.

So I believe that in relation to what has been raised under these section, it is now clear that the necessary checks and balances have been put in place. I would like to point out that they did not exist before, as alleged by the Second Elected Member for Cayman Brac and Little Cayman. They obviously did not exist before, and this Government has taken the initiative to put these guidelines in place.

Madam Speaker, it appears to be approximately 4.30 p.m. I do not know if...

The Speaker: My clock says 4.29 p.m., but we can call it 4.30 p.m.

Hon. Truman M. Bodden: Thank you, Ma'am.

The Speaker: Would you be finishing shortly, or would you go on a bit longer?

Hon. Truman M. Bodden: I could not finish in one minute, Ma'am. I have another four or five main topics to cover.

The Speaker: No, I meant that perhaps you could go on longer if you wish.

Hon. Truman M. Bodden: Madam Speaker, tonight is the graduation for students at the George Hicks High School. I would like to get off early enough to be able to get home and get back. Also, I would like to just remind all Members of it because they have been invited, and to ask them to please attend.

ADJOURNMENT

Hon. Truman M. Bodden: I move the adjournment of this Honourable House until 10 o'clock tomorrow morning.

The Speaker: The question is that the House do now adjourn until tomorrow morning at 10 o'clock.

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

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until tomorrow morning at 10 o'clock.

AT 4.39 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM, FRIDAY, 5TH JULY, 1996.

**EDITED
FRIDAY
5TH JULY, 1996
10.08 AM**

The Speaker: I will ask the Honourable Third Official Member to say Prayers.

PRAYERS

Hon. George A. McCarthy: Let us pray.

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

Bless our Sovereign Lady Queen Elizabeth II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

Our Father who art in Heaven, Hallowed be Thy Name, Thy Kingdom come, Thy will be done on earth as it is in Heaven; Give us this day our daily bread, and forgive us our trespasses, as we forgive 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 the light of His countenance upon us and give us peace now and always. Amen

The Speaker: Please be seated. Proceedings are resumed.

Questions to Honourable Members and Ministers.
Question No. 93, standing in the name of the First Elected Member for Bodden Town.

**QUESTIONS TO HONOURABLE
MEMBERS/MINISTERS**

QUESTION NO.93

(Delayed)

No. 93: Mr. Roy Bodden asked the Honourable Minister responsible for Education and Planning, to state what market research or feasibility surveys were conducted by Cayman Airways Limited prior to its inauguration of the Orlando route.

The Speaker: Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: The answer to that question is on its way. May I just ask for the indulgence of the House that this question be asked at the end, then I will have the answer. I apologise.

The Speaker: Certainly, that can be done.

The next question is No. 94, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO.94

No. 94: Mr. Roy Bodden asked the Honourable Minister responsible for Education and Planning to provide a breakdown by district of the number of students attending the John Gray and George Hicks High Schools from East End, North Side and Bodden Town.

The Speaker: Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: There are 38 students from East End; 41 students from North Side; and 75 students from Bodden Town attending the George Hicks High School. There are 27 students from East End; 17 students from North Side; and 43 students from Bodden Town attending the John Gray High School.

SUPPLEMENTARIES

The Speaker: First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Minister say if there has been any significant fluctuation in these numbers over the past three years?

The Speaker: Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: If the Honourable Member had asked me that earlier I might have been able to get the information, but I do not have it. I can only say that both of the Government's High Schools are flourishing.

The Speaker: First Elected Member for Bodden Town.

Mr. Roy Bodden: Is the Honourable Member in a position to make any comment on the projected enrollment in these schools from this area over the next few years?

The Speaker: The Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: Once again, if the Honourable Member had asked me that I would have attempted to find this out. However, I do not want to venture an opinion at this stage, and I do not have any facts as to that.

The Speaker: The next question is No. 95, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO.95

No. 95: Mr. Roy Bodden asked the Honourable Third Official Member responsible for Finance and Develop-

ment what is the outstanding balance owed in connection with official travel.

The Speaker: Honourable Third Official Member responsible for Finance and Development.

Hon. George A McCarthy: The outstanding balance owed in connection with official travel as at 4th July, 1996, is \$51,414.68.

Although this is the balance that is shown as at 4th July, the processing of claims is on-going.

SUPPLEMENTARY

The Speaker: First Elected Member for Bodden Town.

Mr. Roy Bodden: Is the Honourable Member in a position to elaborate to the House on the section of the answer which states that the processing of claims is on-going?

The Speaker: Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Yes. Although the balance given as at 4th July is the amount read in the answer, it is likely that if the claims presently being processed in the Treasury were taken into account this balance would be considerably less. It does not necessarily mean that this is the amount owing, as such, without any further claims being processed. This is the balance not taking into account the present claims for which a value has not been placed against.

The Speaker: The next question is No. 96, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO 96

No. 96: Mr. D. Kurt Tibbetts asked the Honourable Minister responsible for Education and Planning, how much of the \$587,600 approved in the 1995 Estimates for Capital Works at the George Hicks High School was actually spent, and how was it spent.

The Speaker: Honourable Minister for Communications and Works will be answering this question.

Hon. Truman M. Bodden: Madam Speaker, I apologise, I have actually undertaken to answer it. The Honourable Minister has provided the information. I know it was given to you in that fashion, but if it is all right, I will answer that.

The Speaker: Certainly. The Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, of the sum approved in the 1995 Budget, \$524,216 was spent on the following projects at George Hicks High School:

Upgrade electrical mains	\$6,073
Wells	721
GHHS Ph.1 (Technical Studies, Home Economics, Science and Hard court)	190,826
GHHS Ph.2 (library, Physical Education, Administration, Art)	12,891
Replace Kitchen cabinets in Canteen	1,351
11H Re-carpet Administration Office and Library	712
11J Replace windows on east side of buildings	26,343
11N Install security gates	14,269
11P Install gate house	10,206
11Q Strengthen/upgrade existing roofs	260,824
Total:	\$524,216

SUPPLEMENTARIES

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: In these Estimates for 1995 there was an \$8,000 amount under 11M, reinforcing existing roof to canteen building at George Hicks High School. I do not see it in the answer. Is the Minister in a position to explain why the reinforcing of the roof to the canteen building was not done? It is considered to be very dangerous at this point in time.

The Speaker: Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: I do not believe that there is anything considered dangerous that has been left undone. What I can say is that the previous Government (and some of the Honourable Member's colleagues) did 11 buildings of which we had to redo all of the roofs because of a structural problem which caused leaking. It was not a danger, it just caused leaking. I think that cost us nearly \$800,000.

I do not know of anything dangerous in any of the schools. If I know about it, it is corrected immediately. I can only assume that of the roofs which have been upgraded, some of the \$260,824 must have gone towards that particular roof.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Madam Speaker, neither the answer to this question or the list given includes what I just asked about. In a recent visit to the school I saw the existing problem, which means the job was not done.

Since the Minister has chosen to talk about a lot of other things let me now ask him if he will ensure that it is done because, as he would say in other areas, I care a lot about the children who sit under that roof and eat their lunch. It is warped almost to the shape of me! Can he please give me that undertaking?

The Speaker: Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, I went to that school about a week-and-a-half ago and nobody showed it to me. All I can say is that if it is warped (as the Honourable Fourth Elected Member for George Town) then, by all means, I will request Public Works Department to go up there and deal with it.

I have been in the George Hicks High School and have sat with senior staff, with all the staff in fact, and no one told me that there was anything dangerous up there in the canteen. If what the Member is saying is correct, I will undertake to correct it.

The Speaker: The next question is No. 97, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO.97

No. 97: Mr. D. Kurt Tibbetts: asked the Honourable Minister responsible for Education and Planning if the new Orlando route is proving to be financially viable.

The Speaker: The Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: Cayman Airways Limited launched direct service between Grand Cayman and Orlando on 3rd April, 1996. Very rarely does a new route start off on a profitable basis. It takes time and promotional effort to develop a new route. The market has to be made aware of the availability of the direct Orlando/Cayman service, and many people already had their summer travel arrangements in place.

Unfortunately, the inauguration of the Orlando service was complicated by problems of which the House should be aware. These problems had to do with the FAA not finalising certain operating documentation in time for the scheduled inauguration. As I have told this Honourable House before, Cayman Airways had a licence from the United States Department of Transportation to operate the Orlando route, and Cayman Airways complied with all the necessary United States and United Kingdom safety regulations. The problem, therefore, was not of Cayman Airways' making.

Unresolved issues between the Cayman Islands Civil Aviation Authority, the United Kingdom Civil Aviation Authority and the United States Federal Aviation Authority led to the National Carrier's difficulties. This resulted in delays promoting the service and Cayman Airways incurred extra cost involuntarily. The only alternative available to Cayman Airways was to charter a United States' carrier to operate the first series of flights.

The original basis for the new service, using CAL's own aircraft, called for 37% load factor in order to break even on the marginal costs. To date the route has generated a load factor of 35% which is about 205 passengers under budget, or CI\$17,000 loss. On the positive side, the new route has carried over 3,500 passengers to the Cayman Islands, many of whom would not have otherwise come. This latter fact illustrates one of the benefits

of having a National Carrier, even though this benefit cannot be credited to the airline's account.

Nonetheless, the Government and the Board will continue to assess the performance of the Orlando route.

SUPPLEMENTARIES

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Giving the Honourable Minister every opportunity to prove my ignorance, would he kindly explain exactly what he meant in the answer by 'marginal costs'?

The Speaker: Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: The marginal cost is the cost within the margin set to break even.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: For purposes of clarity, would the Honourable Minister say if the load factor discussed in his answer means consideration of both directions of the flight, or just one.

The Speaker: Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: It is on both directions. We have carried 2% less. That is the difference between the 35% and the 37%, which is a loss of \$17,000.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Minister be able to say if based on the seasonal number of tourists we have visiting these islands it is expected that this load factor will increase in the very near future, or is it expected to have a down turn.

The Speaker: Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: This is obviously an opinion, but I hope that it will increase. That is the most I can say.

When you really look at this (and there is another question coming up), the fact that \$4 million were spent back in 1990 or 1991 on the New York Route in advertising alone, and we have spent a total of \$300,000, I think the route has done very well. In fact, to move Cayman Airways and its routes from a \$14 million a year loss into a profit, I think the Honourable Member must give me a little bit of credit for getting Cayman Airways going in the right direction.

The Speaker: The next question is No. 98, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO.98

No. 98: Mr. Gilbert A. McLean asked the Honourable Third Official Member responsible for Finance and Development what is the annual total presently paid in Civil

Service pensions and the annual amount being paid in to the Pension Fund.

The Speaker: Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: The estimated amount to be paid in Civil Service pensions for 1996 is \$2,443,794. This amount is paid from General Revenue.

The estimated amount to be paid into the Pension Fund for 1996 is \$3,760,228, which includes contributions from Government and the employees. The unaudited balance of the Fund at 31st December, 1995, was \$14,504,070.

SUPPLEMENTARY

The Speaker: Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Does the \$3.7 million include the envisaged increase of 6% which the Government will be paying into the fund this year?

The Speaker: Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Yes, it does.

The Speaker: The next question is No. 99, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman

QUESTION NO.99

No. 99: Mr. Gilbert A. McLean asked the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation what is the status of the proposed purchase of the Hyperbaric Chamber from Cayman Islands Divers.

The Speaker: Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: During the last meeting of Finance Committee, a sum of \$77,500 was approved for the purchase of the Hyperbaric Chamber from Cayman Islands Divers. These funds have not been paid as yet to the Dive Club, but it is expected they will be in the near future.

SUPPLEMENTARIES

The Speaker: Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Is the hyperbaric chamber in use in the meantime, and is there anyone to manage it in the event it is needed?

The Speaker: Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Yes, the chamber is in use and will continue to be in use until a new entity takes over.

The Speaker: Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Has Government identified personnel to operate this chamber when it becomes Government's responsibility and, if so, how many?

The Speaker: Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: The operation of this will be put out to public tender. Government will, through regulations ensure that whatever company is successful will operate it correctly and that everything will be in proper order.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

I think I understand the answer to that supplementary question, but has any thought been given to employing people directly by Government, that being the better route seeing as where this equipment is housed?

The Speaker: Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Yes, Madam Speaker, we have given this great consideration and it is not cost effective.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Is the reason for that because this chamber will only be used when necessary and not on a continual basis?

The Speaker: Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: That is correct.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Does being put out to tender, as the Honourable Minister has said, include the maintenance of the equipment, or simply providing the personnel when necessary?

The Speaker: Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: I should correct the terminology. What I mean by tender is that it has been advertised in the *Caymanian Compass* for expressions of interest. -

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: I do appreciate that clarification but I still asked a supplementary that has not been answered.

The Speaker: Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Yes, the operators will ensure the maintenance.

The Speaker: Third Elected Member for George Town.

Mrs. Bema L Thompson Murphy: Could the Honourable Minister state if any consideration has been given to divers being charged, say \$1.00, through the dive shops for the use of this chamber so that it would be spread out evenly by all divers?

The Speaker: Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: No. I think that whoever undertakes the obligation to operate it will do it in a business-like manner.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Based on the answer just given, will it be the case that those people who express interest will not be paid directly by Government, but will be remunerated by the users?

The Speaker: Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Yes, Madam Speaker, Government would pay for whatever use we have out of it, based on serious injuries where gangrene has set it. Other additional users would remunerate the operators.

The Speaker: We now go to question No. 93, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO.93

No. 93: Mr. Roy Bodden asked the Honourable Minister responsible for Education and Planning, to state what market research or feasibility surveys were conducted by Cayman Airways Limited prior to its inauguration of the Orlando route.

The Speaker: Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: As you are aware Cayman Airways commenced operation to Orlando in April 1996. It is important to understand the context in which this decision was made since it was the opening of new routes, specifically the opening of the New York/Baltimore routes

in 1989 and 1990 respectively which helped bring the airline (and, almost the Cayman Islands economy) to its knees under the previous Government.

In 1989 Cayman Airways leased a new 737-400 to operate New York/Baltimore and in conjunction with the Department of Tourism spent \$4 million to launch that service, and also contracted to pay US\$45.4 million over the term of the lease for the aircraft. In so doing, the former Government and management lost \$3.5 million per year on that route alone (New York/Baltimore).

Contrast that scenario with the 1996 launching of the Orlando route. The Orlando route was integrated into existing schedules so that no new aircraft or insurance costs were incurred. The result was that the risks involved in launching the Orlando service were minimal as the service needed only to cover its out-of-pocket expenses, such as fuel, landing and handling costs, and en route navigation charges.

With such a low risk strategy it was not necessary to pay exposure market research consultants to advise us. In any case the final decision would have been ours alone. Cayman Airways analysis into the feasibility of Orlando involved the following:

1. Department of Tourism data on past performance of Orlando regional market;
2. Demographics of Orlando and surrounding areas were gathered;
3. Connectivity report of domestic and international flight schedules for the other carriers for feed at the Orlando airport was amassed;
4. Break-even analysis revenue projections and profitability studies were conducted internally;
5. Department of Tourism, London Office, was tapped for market information from European suppliers for two centre traffic;
6. A flight schedule study was conducted to produce optimum times and days for the operation;
7. Local and overseas travel agents and wholesalers were tapped for information on the Orlando market;
8. Department of Tourism and Cayman Airways Representatives conducted field surveys in the Orlando and surrounding areas to gather information as to whether the Orlando/Cayman service would be supported by the local communities;
9. New market studies were conducted to define new revenue potential, that is, convention and incentive spin-off traffic and Latin American to centre market;
10. A cost analysis was conducted for introduction advertising and promotion of the service to the market.

The results will be closely monitored so that the future development of the Orlando route can be monitored.

SUPPLEMENTARIES

The Speaker: First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Minister say if this research was done by a professional marketing research consultancy? If so, which one?

The Speaker: Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: When I became responsible for Cayman Airways there were enough expert reports which had cost hundreds of thousands, probably millions of dollars on everything in the world from Orlando straight back, yet the airline lost over \$14 million in one year.

Since we have moved the airline from the drastic losses it had into a profit, we regard ourselves as sufficiently expert. We conducted the study, it was done by our own staff who are very capable, and the results have been good. I see no reason to pay any more consultants in areas such as this.

The Speaker: First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Minister say over what period these surveys and this research was conducted?

The Speaker: Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: It was over a period of about a year and a half.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Is there a defined time frame by which this route will be monitored in order to decide if it makes sense to continue or not?

The Speaker: Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: The route is doing very well. As a new route, with a loss of only a few thousand dollars, the fact that we are using our same equipment and staff and basically only paying the out-of-pocket expenses, the route will continue. I do not foresee any reason why we would have the drastic losses. Remember, New York lost \$3.5 million per year after promotional expenses of \$4 million. In the short period it was flown the public of this country had to pay possibly in the area of \$10.5 million. I cannot see that arising.

What I will say to the Honourable Member is that the Board and I watch Cayman Airways closely and any time we find any route (other than Cayman Brac) taking drastic losses, I will be man enough to request the Board to cut it. But we are very optimistic about our routes at this stage, including this one.

We do have a difficult situation with American Airlines. They are very aggressive and they are really attacking us on most of our routes. I do not know what effect that will have on us or what tolerance will be given to us by the authorities. I am monitoring that as well.

The Speaker: First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Member say if the research has shown whether the load factor on this route will be seasonal or will remain fairly constant throughout the year?

The Speaker: Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: It will be seasonable. In fact, most of our markets are seasonal. This specific route will hopefully tap into the European market which will help the Cayman Islands because it will spread the tourists more into Europe than just concentrating on North America. It is really quite a good advantage to the Cayman Islands. It is mainly because of the benefit to the Cayman Islands and the attempt to spread the market that we opened this route. It was done in conjunction with the Ministry for Tourism, so it will be seasonal.

The Speaker: First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Minister say, regarding the tapping of the European tourist market, if there has been any attempt to link up with any European airline in a partnership encouraging Europeans to travel from Orlando on to the Cayman Islands?

The Speaker: The Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: We are looking at inter-line links with some of the charter operations out of Europe. At this stage I would rather not go into details on that because it is in the negotiation stage.

The Speaker: That concludes Question Time for this morning.

We proceed to Government Business, Government Motion No. 3/96, The Development and Planning Law (1995 Revision) Building Code (Amendment) Regulations 1996. The Honourable Minister responsible for Education and Planning.

GOVERNMENT BUSINESS

MOTIONS

GOVERNMENT MOTION NO. 3/96—THE DEVELOPMENT AND PLANNING LAW (1995 REVISION) (AMENDMENT TO THE DEVELOPMENT PLAN 1977)

Hon. Truman M. Bodden: This Motion reads as follows:
WHEREAS it is desirable for a certificate of completion to be issued under the building code;
BE IT RESOLVED that the draft regulation entitled the Building Code (Amendment) Regulations 1996 now being laid before the Legislative Assembly be hereby approved in accordance with Section 38 of the Development and Planning Law (1995 Revision).

I will give a copy to the Serjeant-at-Arms to lay on the Table.

This Motion is a very short and simple one that has been requested by builders and it was actually the -

removal of a section that had been excluded from the Building Code that is now desirable that it should be included.

I should say that the Building Code is hundreds of pages long. In the attempt to adapt it to the Cayman Islands Laws and Regulations we had to exclude some sections, for example, that related to snow and sleet. Unfortunately, this section was removed when it should not have been removed.

What it will allow is that prior to a certificate of occupancy which does not deprive the Caymanians from going into their houses...

The Speaker: Honourable Minister, I think we are dealing with the wrong Motion. It is Motion No. 3, which is a very long Motion with eight preambles.

Hon. Truman M. Bodden: I was following the Order Paper. The number of the Motion there is No. 3 of 1996.

The Speaker: There is another one, No. 4 which deals with the certificate of completion.

Hon. Truman M. Bodden: Sorry. I guess I will have to try to blame it on that old cow-itch disorienting me again. I am sorry, I beg your pardon.

The Speaker: That is all right. There is no problem.

Hon. Truman M. Bodden: Oh, I see what has happened. The Order Paper has the right number, but the wrong name. I am sorry, I am afraid that I just looked at the name. I beg your pardon.

The Speaker: We have to apologise for that.

Hon. Truman M. Bodden: This Motion, No. 3/96, is the Development and Planning Law (1995 Revision) (Amendment to the Development Plan 1977), which states:

1. On or about the 8th day of July, 1991, the Development Plan 1977 was reproduced by the Department of Planning. There was an error in that reproduction in that the Storm belt was totally removed from the land West Bay Beach North Block 10A Parcels 40, 41, and 42 (hereinafter called the Land).

2. On the 10th day of November, 1993, a senior officer of the Planning Department wrote to the proprietor of Parcel 41 stating that the parcel was zoned Low Density Residential, and not that it was partially Residential and partially Storm Belt.

3. On the 28th day of October, 1994, a prospective purchaser of the three parcels of land wrote specifically requesting notification as to whether there was a Storm Belt restriction on the property.

4. On the 5th December, 1994, the Planning Department responded that "The Storm Belt restriction from the shorelines of Salt Creek as shown in the Development Plan 1977, no longer exists."

5. The cost of this property and the easement to it apparently runs into several million dollars.

6. Government believes it is in the best interest of the public to settle this matter to avoid the possibility of a successful claim for substantial damages (the Government specifically denies any liability in this matter), and that the land be re-zoned in accordance with the said letters from the Department of Planning.

7. The Storm Belt has been removed in the proposed new Development Plan to which there has been only one objection which apparently has now been withdrawn.

8. The Development Plan Tribunal has recommended "that in view of the confusion and misinformation the Mangrove Buffer Zone located on the South Side of Salt Creek be removed from Block 10A Parcels 40, 41 and 42 from Storm Belt to Low Density Residential as shown on the attached map.

BE IT RESOLVED by the Legislative Assembly, pursuant to the powers conferred on it by the Development and Planning Law (including section 8 thereof), and every other power enabling it, that the Development Plan 1977 (being the Plan referred to in subsection (5) section 6 of the Law) be this day altered by the amendment of the map incorporated with and form part of the plan herewith, re-zone the land West Bay Beach North Block 10A Parcels 40, 41, and 42 from Storm Belt to Low Density Residential as shown on the attached map.

This Motion...

The Speaker: Excuse me, I have to present it.

Hon. Truman M. Bodden: Sorry.

The Speaker: Government Motion No. 3/96, having been duly moved by the Minister, is now open for debate.

The Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: Thank you, Madam Speaker.

This Motion has been brought because two letters from the Department of Planning dealt with confirming a mistake made in July of 1991 in which the storm belt was removed. I understand the history of this. By the way, the land is not large parcels as mentioned in one of the press or television reports, the total land is 16.22 acres. About a half or a third of it had been zoned as storm belt, so it is not a large piece of land. It is a strip on the south of the large Salt Creek entrance, and only goes about half-way down the entrance.

The history of this was that apparently back in July of 1991, because the front part of that property has ten foot high iron shore the feeling at that time was that the storm belt should be removed because of the ten foot high iron shore that bounded on the North Sound.

Be that as it may, in 1991 there was no authority to remove the storm belt from the plan. Apparently the plan was upgraded and made larger with more detail being put in. The 1977 Development Plan was just a small plan and was not very precise.

In any event, that is all I could glean because in 1991 it was not my responsibility, nor was it the responsibility of the Present Minister for Tourism. I understand from the Department that the reasoning was that they felt it was sufficiently protected.

The error was confirmed in a letter by the Deputy Director of Planning and subsequently by the Director of Planning. It is the correction of the error that I am now seeking to sort out. If it is not sorted out, while Government specifically denies liability and legally I have to state that no matter what I say we deny liability, as all lawyers say before they open their mouths, the fact is that it may result in a case against Government. I know that the claim against Government would be substantial.

Since the Development Tribunal has sat and heard the National Trust representatives on the matter (Chaired by the very prominent senior attorney, Mr. W. S. Walker, and is comprised of two other persons sitting with him), they recommended that it be removed, especially in light of the confusion and misinformation.

I think that it is in our best interest, rather than having to fight a costly court case on this. And since it is such a small strip of storm belt, which is protected by a ten foot high iron shore, we remove it and I ask Honourable Members of this House to do so.

It is a Motion that I have had to look at long and hard because I knew that for some people it would not be a popular motion. But it is something which has to be done, and in the interest of the country I am putting it forward.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

I understand what the Honourable Minister is saying, and I do not have a problem with this specific situation. But I wish to get some clarification in the winding up of the Motion to ensure that, in the immediate area we are talking about, there are no other parcels similar to the ones being discussed where there might be a problem down the line with any precedents. Is the situation a very isolated one?

The concept I understand the Minister to be bringing is certainly an acceptable one to me bearing in mind that it is an isolated situation. I just wish to make sure that it is not something which is going to open up a can of worms.

The Speaker: The First Elected Member for Cayman Brac and Little Cayman.

Capt. Mabry S. Kirkconnell: Thank you, Madam Speaker. I rise to support Government Motion No. 3/96.

From my experience with the Central Planning Authority, I am familiar with the area. As the Honourable Minister has said in moving the Motion, the storm belt serves to benefit when there is not a high iron shore involved. But having this high iron shore in that area the storm belt really only serves to dissipate the force of the sea in case of a storm. The high iron shore will certainly take care of that.

With those few words, I give my full support to the Motion.

The Speaker: If there is no further debate, would the Honourable Minister wish to reply'?

Hon Truman M. Boddan: Thank you, Madam Speaker.

I would like to thank the Fourth Elected Member for George Town and the First Elected Member for Cayman Brac and Little Cayman for their support, as well as other Members who support the Motion even though they did not speak.

My first question when I saw this was similar to the question raised by the Fourth Elected Member for George

Town: Are there any more surprises for me? I was told that this is an isolated incident.

I also asked the Director of Planning to go back and re-check and make sure that in the reproduction of that 1991 plan there are no further surprises.

What I can say is that the property on the opposite side of this, stretching about three or four times the length of this, is actually Government's land. As far as I know it has a storm belt of some 46 acres. It has been transferred to the Trust so that it can be kept in that form. There are no worries on that one at all. If any more arise, I will be just as unhappy as the Fourth Elected Member for George Town.

The Speaker: I shall put the question on Government Motion 3/96, that the Motion be passed. Those in favour please say Aye. ..Those against No.

AYES.

The Speaker: The Ayes have it. The Motion has accordingly been passed.

AGREED: GOVERNMENT MOTION NO. 3/96 PASSED.

The Speaker: Government Motion No. 4/96, The Development and Planning Law (1995 Revision) Building Code (Amendment) Regulations, 1996.

The Honourable Minister responsible for Education and Planning.

GOVERNMENT MOTION NO. 4/96

THE DEVELOPMENT AND PLANNING LAW (1995 REVISION) BUILDING CODE (AMENDMENT) REGULATIONS, 1996

Hon. Truman M. Boddan: I beg to move Government Motion No. 4/96 which reads:

WHEREAS it is desirable for a certificate of completion to be issued under the building code.

BE IT RESOLVED that the draft regulation entitled the Building Code (Amendment) Regulations 1996 now being laid before the Legislative Assembly be hereby approved in accordance with section 38 of the Development and Planning Law (1995 Revision).

The Speaker: Government Motion No. 4/96 is now open for debate.

The Honourable Minister responsible for Education and Planning.

Hon. Truman M. Boddan: Thank you, Madam Speaker.

This is an amendment to the Building Code, which is a very large document comprising hundreds of pages. This specific amendment - and I am sure that in the future there will be other amendments as that Code comes into operation - merely deals with the Certificate of Completion. This can be granted prior to a Certificate of Occupancy and has been requested by builders and by the public.

I understand that it will allow for the requesting and turning on of electricity and some of the things that could happen after completion, but prior to the issuing of a Certificate of Occupancy.

I should mention that from the Caymanian public's point of view, the Certificate of Occupancy does not apply to houses which are owned by Caymanians. Therefore, while this will assist, the Certificate of Occupancy itself does not apply. I know that the Honourable First Elected Member for Cayman Brac and Little Cayman is more of an expert in this; he has been on the Authority for many years. As I understand, it will be very helpful to the people here, and I put this forward with those words.

The Speaker: If there is no debate, and the Honourable Minister...

Hon. Truman M. Bodden: I do not wish to reply, Ma'am.

The Speaker: I shall put the question on Government Motion 4/96. Those in favour please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it. The Motion has accordingly been passed.

AGREED: GOVERNMENT MOTION NO.4/96 PASSED.

The Speaker: Government Motion No. 2/96, Caribbean Development Bank Loan - Pedro St. James Heritage Project.

The Honourable Third Official Member responsible for Finance and Development.

GOVERNMENT MOTION NO. 2/96

CARIBBEAN DEVELOPMENT BANK LOAN - PEDRO ST. JAMES HERITAGE PROJECT

Hon. George A. McCarthy: Thank you, Madam Speaker. I beg to move Government Motion No. 2/96 which reads:

BE IT RESOLVED THAT this Honourable House, acting in accordance with section 3(1) of the Loans (Caribbean Development Bank) Law, 1977, give its approval to the Governor in Council to authorise the Financial Secretary to enter into a loan agreement on behalf of the Government of the Cayman Islands with the Caribbean Development Bank for the sum of US\$5.79 Million, being advanced by the Bank to the Government of the Cayman Islands to assist in the financing of the Pedro St James Heritage Project, together with interest, commitment charge and other charges in respect of the said amount of US\$5.79 Million.

The Speaker: Government Motion No. 2/96 having been duly moved is now open for debate.

The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Thank you, Madam Speaker.

An offer has been received from the Caribbean Development Bank to provide a loan to the Government for an amount not exceeding US\$5.79 million, or CI\$4.74 million to assist with the financing of the Pedro St. James Heritage project.

The loan offer provides for principal repayments to be made on a quarterly basis over a 17 year period commencing five years from the date of the first disbursement. Interest is payable quarterly and is charged at the rate of 6.75% per annum on the amount of the loan withdrawn.

Under the loan offer, total disbursements from the loan shall not exceed 56% of the cost of the project and Government shall not contribute less than CI\$3.85 million towards this cost.

The projects has a total estimated cost of CI\$8.676 million and has been reviewed and found to be financially viable on the condition that the marketing strategy for the project is effectively implemented as planned.

Honourable Members will recall that in the answer to Parliamentary Question No. 36, delivered by the Honourable Minister responsible for Tourism, Aviation and Commerce, information was provided to support this financial feasibility of the project based on current estimates. I am sure that the Minister will be expanding on this financial information in his contribution to this Motion.

Honourable Members will also recall that as part of the \$3.58 million required to be contributed by the Government toward this project, \$1 million has been provided in the 1996 Estimates under Head 51-1 04 Civic Centres and Museums.

As Members are also aware, all borrowing activities between the Government of the Cayman Islands and the Caribbean Development Bank are governed by the Loans Caribbean Development Bank Law, 1977. Section 3 of the Loans Caribbean Development Bank Law, 1977 states: **"Subject to this Law, the Governor may in such manner and on such terms and subject to such conditions as may be agreed between the Governor in Council and the Bank, borrow from the bank from time to time such sums as may be required by the Government not exceeding \$250,000 (CI), or with the consent of the Legislative Assembly amounts in excess of this sum."**

In accordance with this Law, this Motion seeks the approval of the Legislative Assembly to borrow from the Caribbean Development Bank an amount not exceeding US\$5.79 million to assist the Government in financing the Pedro St. James Heritage project.

Madam Speaker, with your permission I would like to quote from the report that was done by the Caribbean Development Bank. I will table this section of the report during the break because I found it to be very relevant to this project and it will be useful information for Honourable Members, in regard to the view that has been taken in connection with this project. I was hoping to have had a chance to have read the whole report, in which I probably would have been able to extract other useful information. But I had a sinus problem over the week-end and time did not permit that, so I will just quote this section:

"A strong and vibrant tourism sector is critical to the Cayman Islands continued economic well being. Although the country has enjoyed robust tourism growth over the past decade, there are warning signs that the tourism industry in the Cayman Islands needs to be revitalised and the products and services improved so that tourism benefits can be maximised.

"Recent visitor demand surveys have pointed out that there is a distinct lack of quality attractions and things to do during the tourism experience being offered other than diving and the traditional sun and sea and sand activities. In addition, a survey of the cruise industry revealed that a strong interest in heritage attractions is being displayed by cruise passengers.

"World tourism market trends also indicate a much greater interest and appreciation on the part of consumers in a destination's people, culture, history and natural resources. Destinations world wide are recognising the market demands and are investing in products which meet these needs and expectations.

"The development of Pedro St. James presents an excellent opportunity for the Cayman Islands to invest in its

cultural development through the restoration of the most important historic site on the island. This is a first heritage tourism project to be developed and is therefore a challenge for the Cayman Islands since it is expected to provide a revenue generating tourism product which satisfies the demand of the visitors to the Cayman Islands and at the same time protects and commemorates an important part of the Cayman Islands history.

“Pedro St James can also serve as an important venue for Caymanians to learn about their history and increase their awareness about their heritage and its values in shaping the Cayman Islands.”

I think that is very useful in demonstrating that in developing the Pedro Castle as an historical site the Cayman Islands is not acting alone, that there is an interest that has been stimulated in this regard throughout the region. This is one of the attractions that tourists visiting the Cayman Islands are looking towards.

I should point out that as this project will be established upon its completion as a statutory body, the indebtedness to the Caribbean Development Bank will not form part of public debt, but will be classified as a self financing loan.

The self financing loan balance as at the 31st of December 1995 stood at \$18.3 million. When this amount is added to it, which amounts to approximately C\$4.7 million, we are looking at approximately \$23 million. That is what the balance will be after this Motion is approved.

Thank you, Madam Speaker.

The Speaker: The Honourable Minister responsible for Tourism, Aviation and Commerce.

Hon. Thomas C. Jefferson: Thank you, Madam Speaker.

I rise to support the comments made by the Honourable Third Official Member on the Pedro St. James project. We, in the Tourism Ministry and Department, believe that it is an excellent opportunity to have an attraction of quality. While the project is estimated to cost \$8.7 million, we have to bear in mind that this is the total cost of the project. Some of this money has already been paid. Almost \$800,000 is the cost of purchasing the land and the present facility. That is all part of that \$8.7 million.

The original cost was estimated at around \$5 million some years ago. It did not include these sums, neither does it include.., and may I back up to say the \$8.7 million comes from a Caribbean Development Bank appraisal of the project. The project was first appraised by the Commonwealth Heritage group out of Canada which continues to work for us on contract. Their estimate was \$5 million several years ago. They did not build in the cost of the land which was \$800,000. In the Caribbean Development Bank exercise they generally include physical contingencies and price contingencies. When you put those in as well, you add another \$5.8 million, something that might never happen, but is a procedure they use in estimating a project to its completion.

I believe that with the number of cruise ship passengers coming to the Cayman Islands, as well as those arriving by air, tying the Pedro Castle project together with the Botanic Park we can have an excellent marketing tool and certainly there is absolutely no reason why the revenue outlined yesterday in an answer to the Fourth Elected Member for George Town, should not be achieved.

I believe that when we look at it in terms of its comparability to the Turtle Farm, which captures about 28% of visitors here (and is the main source of income to that farm), that even if we have the small percentage as indicated yesterday in the answer, and I quote ‘. . .6.7% of cruise passengers in the first year (a very small number given that we have in excess of 600,000 visitors coming to our shores by cruise ship), and “...11.8% of the passengers who arrive by air . I think those percentages are quite conservative and achievable in the first year.

We really need more activity in the eastern districts. We need activity by way of tours where visitors of the island have an opportunity to visit an historic site, the only structure in the Cayman Islands which links us to the 1780s. The year 1780 was when it was built.

When we look around the Caribbean and the research which was done on it, we see it as simply when we looked in places like Antigua, St. Lucia and some of the other islands of the Caribbean; they all have grand houses of that era, things which are quite attractive. They have two or three different floors.

If we capture the market on cruise ship and air arrivals where we put tours together to visit the Botanic Park and also the Pedro Castle, those who visit will come away with a deeper appreciation of what Cayman really is: the culture, the history, and the seamanship. While the Pedro Castle building is due for completion towards the end of September or mid-October this year, the visitor’s centre, which will be the place where they enter and get their interpretation of what this project is all about, its function, how the birthplace of democracy was in that building where the decision was taken that from that day forward we would only have Elected Members of our Parliament, or Vestry as it was called in those days. It served in many different ways. I think that most of us know the history of it, how it was in private hands, that it was built by an Eden who I think is an ancestor of the Honourable Anthony Eden. Savannah and the electoral district of Bodden Town need a structure and facility such as that. I believe that we need to provide more and more attractions for our visitors because the number of people who come to the Cayman Islands, the repeat business, is now in the 40% range. So we are doing something right.

If you visited this island five, six or ten different times, it would always be good to see something new. Not that we can do that on an annual basis, but facilities such as this can only lend to the image and understanding of the Cayman Islands and I ask Honourable Members to support the loan.

The Speaker: First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Being one of the representatives of the area in which this development is going to take place, I would certainly be missing a golden opportunity if I did not say something as to my sentiments toward this development.

I certainly welcome the idea of the development of this tourist attraction. As is the case with many of the Honourable Members, I can see the benefits which are to be derived from such a development. I am sure that I speak for a significant number of my constituents and the residents of this area when I say that the development is something which will be anticipated and appreciated by many who live in the community.

However, that does not mean that the development with all its promise does not go with some problem. As should be obvious to all, we will be entering the era of fast tourism. What that will mean when we have these percentages of people visiting and this amount of traffic on the road, is that people in this area will also be suffering from what is commonplace and an every day phenomenon down on what is popularly known as the Western peninsula - traffic jams, slow moving traffic and bottle necks.

I want to say that with this prosperity and economic opportunity will come some headaches. I do not want it to be projected that it is a totally ideal solution.

I also have to raise a point with which I am familiar from my tenure as Chairman of the Public Accounts Committee. In noting that we are getting a loan from the Caribbean Development Bank, I hope that this loan is not from that famous basket of currencies which put us in trouble with the Civil Aviation loan, but rather is from a unitary currency, that is, the United States dollar or some other single currency. I would hate to find ourselves in the trap we are still in with the loan from the Civil Aviation Department. I welcome some comment in the winding up by the Honourable Third Official Member responsible for Finance and Development as to what we are borrowing from and if indeed we have avoided the so-called basket of currencies.

I also want to say that...

Hon. Thomas C. Jefferson: Madam Speaker, I rise on a point of elucidation for the Member, if he will allow me.

The Speaker: He has sat down, Honourable Minister.

POINT OF ELUCIDATION

Hon. Thomas C. Jefferson: For the benefit of the Member, the loan presently before the House is \$5.79 million United States dollars. There is no "basket of currencies." The US currency is fixed to the CI dollar.

The Speaker: First Elected Member for Bodden Town.

Mr. Roy Bodden: I convey my thanks and my relief to the Honourable Minister for that elucidation.

I was going to say that there is a great positive factor in linking this development with the Botanic Gardens. I think that if we continue in this way along this section of the island, we can have a unique progressive and attractive tourism development package. Towards this end we have what I guess could be largely described as ecotourism and cultural tourism whereas on the western section we have a different type of tourism offering the Freeport shopping, the hotels and restaurants, etcetera.

I will lend my encouragement and support, and promise that I will do my utmost to provide enthusiasm and to promote understanding and appreciation among my constituents. At the same time I implore the Government to take into consideration the significantly increased traffic on the road and to try at the earliest possible convenience to do something to try to alleviate this problem.

It would be good if before the project reaches its conclusion something could be done which takes into consideration the increased traffic that we will have. No one can then say that blessing comes with the curse of traffic jams and slow moving traffic. I think it is a step in the right direc-

tion. I urge the Government to continue, and I certainly stand in favour of the project.

Thank you, Madam Speaker.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Thank you, Madam Speaker.

I join the First Elected Member for Bodden Town in giving support to this Government Motion. As has been alluded, it has been part of the Eden history. It is said that this castle was built by some of my ancestors.

I recall fond memories of playing on these grounds while growing up when it was not in the condition it is now, it was then in ruins. I appreciate that Government is taking the view to look at this project as we know that today's sophisticated tourists no longer want to just see sea and sand, but look forward to enjoying heritage and other aspects of ecotourism. This provides a diverse area for people to enjoy.

We know the standard we have set in this country for tourism and it is said that if we do not build on what we have, eventually we will become stagnant and go into regression. We certainly do not want that to happen to the very high standards we have set in these islands.

It is reassuring to the public to know that it will not be a strain on the coffers of this country but will be self financing. I also agree with the First Elected Member for Bodden Town in regard to works that will need to be done on the roads. But I am sure that these problems will be addressed and improvements will be made so that travel from George Town to the Pedro Castle area will not be very difficult.

I give my full support to this Motion knowing that it will be of tremendous benefit to the Electoral District of Bodden Town. This will be the largest project, by far, ever undertaken. I am sure that much benefit will be derived from a project of this magnitude.

I look forward to the day when it will be completed.

The Speaker: Third Elected Member for Bodden Town.

Miss Heather D. Bodden: Thank you, Madam Speaker.

I too rise to offer my support to the Pedro St. James Heritage project, a project which so many people in my district are looking forward to.

Having been owned by members of my family as well, it is with great pride and anticipation that I look forward to the completion of this project. I give the motion my full support.

Thank you.

The Speaker: The First Elected Member for Cayman Brac and Little Cayman.

Capt. Mabry S. Kirkconnell: Thank you, Madam Speaker.

I rise to give my full support to this project. My connection with this goes back long before my birth. I am told that my great-grandfather had it constructed initially. I am very proud that the Cayman Islands are in a position to establish such an attraction as this.

When I visited the island of Jersey during a Parliamentary visit many years ago, I was so impressed at how their heritage had been preserved and how they had historically preserved what had taken place during World War II and before, tourists could not only see the present, but they

could see the past. I think this is what we have lacked in the Cayman Islands.

The Lord has blessed us immensely with our beautiful beach, but we have not done very much in preserving the heritage of those who made the Cayman Islands what they are.

I am very happy to support this and I feel very confident that as tourism continues to grow in these islands, in particular in Grand Cayman, that it will be a viable project.

Thank you, Madam Speaker.

The Speaker: The Fourth Elected Member for West Bay.

Mr. D. Dalmain Ebanks: Thank you, Madam Speaker.

I rise to give my support to this because I am one who likes to see historical things. It has been said that sand and sea is one thing, but it gets tiresome looking at that at times. From the time I was a child, Pedro Castle was always something that we went to see. I know it will be a great attraction to the tourists.

I am proud that it is being developed and that I am part of it.

I thank you very much.

The Speaker: The Third Elected Member for George Town.

Mrs. Bema L Thompson Murphy: Thank you, Madam Speaker.

I rise to offer my support to Government Motion No. 2/96, regarding the financing of the Pedro St. James Castle's restoration.

The former speakers who mentioned that this was a family project were very brave, knowing that in the past several weeks the Opposition has levied a lot of talk about purchasing Cayman Foods building. They were brave to get up and say that this was family related. I am sure that you will hear that they are pushing because of that.

However, it has been mentioned that it is a very historical site and I remember also that when someone asked what can you do in the Cayman Islands, one of the first places mentioned was Pedro Castle.

We would always visit it as we travelled to the outer districts when we were growing up. A lot of the children still go out there today. As a matter of fact, I visited there about five or six times recently and there were always individuals out there, mostly tourists.

I think that castles always interest and appeal to many people, especially knowing that sun, sand and sea have been mentioned. In the event of inclement weather the Museum (of which I am Chairman of the Board) receives a lot of visitors. During the past 16 months there has been a steady increase in the number of visitors. I know that this will also take place at the castle after it is developed.

There will be a statutory body and it will be a self financing loan, which I am very pleased to discover. I am sure that the Financial Secretary will make sure that a very good interest rate is achieved for this large sum of money being borrowed. I am sure that in the negotiating he will make sure that there is no penalty if this loan is paid off early.

The projections are very conservative. They state 6.7% of cruise ship passengers. I am sure that tourists arriving by air will also take advantage of this site.

Most of the taxi and tour operators with whom I have discussed this project are very happy. It will take individuals out of town and they will benefit as well. Our historical sites are quite spread out with the Museum in George Town and the Botanical Park in North Side and the Castle in the Savannah area. I am sure that it will not only benefit the tourists, but locals, especially the younger generation, in that this is a very historical site and they will learn from it.

I support this whole heartedly. Thank you.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

This Motion regarding the funding of the completion of the Pedro St. James project is one that I do not think the Members in this Honourable House have any problem with conceptually, but in making my contribution I will make a few observations. I believe that sooner or later (and probably sooner than later), my nickname is going to be Mr. Picky. With full knowledge of that risk, I nevertheless air my views.

As other Members have said, any chance this country has of enhancing and diversifying the attractions available to the tourists coming to this island is a boon to the tourism industry - whether they come as stay-over tourists by air, or whether they come on the cruise ships passing in and out on the same day.

Having said that and also hearing the Honourable Minister for Tourism mention about the tie-in of the Botanic Park with Pedro Castle when completed, I have to make an observation that the majority of the revenue earned at the Turtle Farm is by visiting tourists paying their way into the farm and purchasing gifts at the gift shop.

It is important to my mind where any marketing focus is being made regarding the other two areas in the Eastern Districts that there is not a lack of foresight so that we get a lopsided situation and the healthy situation which prevails at the Turtle Farm becomes unsteady ground because market forces are generating the revenue into these other two areas.

I simply wish to say that it is important that whatever the marketing strategy is, it should encompass at least all three of these areas which the Government is directly attached to the Botanic Park, the Pedro St. James Castle and the Turtle Farm. I am not suggesting this is a situation that is being forgotten, I am simply saying that I heard it mentioned that the two were being tied-in and I want to be sure that the attraction at the Turtle Farm is not forgotten.

While geographically their locations are at either side of the island, the truth is that the distance is not that great compared to what tourists are used to. The scenery between the locations (after you get out of the concrete jungle) is fairly nice scenery and I would like to ensure that whatever is being done involves all three of these locations.

This also brings to mind, when we speak of the project at hand, that I have been one of the proponents of the development of the Spotts Dock into a more user-friendly facility. I am pleased to have heard that presently the Port Authority is in the planning stages of creating a much better facility there to accommodate the cruise ships whenever they are able to land their passengers there.

With this in mind, I believe that once these facilities are enhanced, and we are able to induce more cruise ships to use this facility it will bode well for the restoration of Pedro

Castle in the Savannah area. It will easily be one of the first stops because of the proximity to the landing.

Thinking along those lines, and of the numbers, and seeing how the projections have been done, I think it is fair comment to say that the success and financial viability of this project, as per the projections, are based on what I call mass tourism. Thinking about it (and I am quite willing to give way to be corrected) I am inclined to believe that in selling this product and homing in on the cruise ship passengers (who far outweigh the number of air arrivals), the strategy in my view will be to attract the tourist ship arrivals towards this Pedro Castle location. It seems to me that it is going to be automatic and sensible to be dealing with some type of tour package.

How those tour packages will be sold, I have no idea. I am sure that the powers that be will be dealing with that in the best way that they know how. The thing that keeps popping into my mind when I look at what is before me, is that at present there is a very volatile situation in the ground transportation area between the parties involved in ground transportation for tourists. I wish to make the point from my side of the coin to the Government, that in all they are doing, I think it is very important to bear in mind that they have to find a palatable situation so that the project itself does not suffer and get involved in the muddle of conflicts that exist in these areas.

Believe me, Madam Speaker, while what I am saying is not a very positive statement, I say it with all good intention because it is my belief that if this is going to be important in the marketing strategy, it is best that we do not do it and find out that the Government is in the middle of a fray. I think that is very important. I wish to make that point and hope that it is something that Government will be minded to consider when they are deliberating.

I would certainly support the idea that is going on here. Before I close I just wish to make one more point. It is not the first time that I make this point, and I suspect that there are others who do not hold it as near and dear as I do. Being the convinced person that I am, I feel the need to express this view.

I have long considered that the mere fact that the largest single employer in the country outside of the Civil Service of the Caymanian population is the tourism sector. I strongly hold the view that some type of situation needs to be developed between the Government and the private sector in the tourism area to create a facility which will allow for this country to produce trained Caymanians to fill the many posts that are now being filled in this area by imported labour.

It does not matter which rung of the ladder we examine in tourism, the fact remains that there is always potential for improvement within the Caymanian populace with regard to their upward mobility in employment in that industry.

I feel strongly that the providers of these facilities (the hotel rooms, restaurants and all of those areas) in Cayman, even where the majority of them are foreign owned, would be quite happy to hire Caymanians and to play their part in any role to entrench the Caymanians into that industry if the situation is conducive.

We strike various odds in the thought process whereby the average Caymanian figured that he or she should be employed in whatever job he sought out because of the mere fact that he is Caymanian. The situation is now

where many Caymanians realise that if they are not equipped they will become what is called unemployable, which certainly leads to frustration.

We have gone on now to where the majority of Caymanians who are not professional or in very skilled positions (as they find themselves not going on to tertiary education and only coming out of our public education system looking for a job) are not finding their niche. They are left out with no sense of direction. I believe that if the Government were able to provide a training facility, or we could call it a Hotel Training School... before I go any further with that...

The Speaker: May I call the Member's attention to the fact that we are considering the Caribbean Development Bank Loan, Pedro St. James Castle project?

You have stated your point, but I think that it is time that you get back to this subject.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker., but when I am through you will understand that I will make the point to tie it in with the Motion at hand.

The Speaker: I think that you need to. I do not think that I can allow you to go much longer. You need to get to the final submission.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

Having made an attempt to show the importance of such a facility, I firmly believe that in the whole big picture of this project, that a facility of this nature would complement the situation. I believe that it should be considered.

I am not suggesting that it be thrown into the fray to throw all of the financial projections out of proportion or anything like that. I am simply saying that it is my firm belief that a small facility could be created in this location with all of the same good things for the project in mind, and a facility like that could have Caymanians going through being paid a per diem while they are learning and at the same time providing a service. I think the facility would not cost the Government to run...

The Speaker: Honourable Member, I am going to ask you to please stop. You have made your point and are now making some other points on the same point. Please terminate your debate on this Motion.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

Not being able to expound on my thoughts regarding the matter, I will simply say that in supporting the Motion I am asking the Government to seriously consider including what I have just suggested at the completion of the project...

The Speaker: Honourable Member please, you are under my authority.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 12 NOON

PROCEEDINGS RESUMED AT 12.30 PM

The Speaker: Please be seated.

Debate continues on Government Motion No. 2/96. (pause) If there is no further debate, I shall ask the Honourable Third Official Member to conclude.

Hon. George A McCarthy: I would like to thank Members of this House for their support on this Motion. Assurance has been given to a question raised by the First Elected Member for Bodden Town, that the currency in which the loan will be denominated will be United States dollars, which carries a fixed parity to the Cayman Island dollar. Having had the unfavourable experiences we have had before with various loans, particularly, in relationship to the fluctuating currencies in a loan from the Caribbean Development Bank for the Water Authority and Civil Aviation Authority, we will not enter into such loan arrangements again.

I should point out that we have been recently advised by the Caribbean Development Bank that they have now gained the necessary approval to convert to the US dollar the fluctuating currencies such as the Japanese Yen and others that presently denominate the Civil Aviation Loan. This was approved by Executive Council last week and the Caribbean Development Bank instructions are on their way to them to do the necessary conversion. We are also looking at all other loans where we have fluctuating currencies, or loans financed in part by a basket of currencies to also convert those loans into US dollars.

The problems that we have been having with those fluctuating rates will hopefully not be for much longer.

In connection with the interest rate, it is set at 6.75%. Initially, when we had the offer from the bank they quoted 7.75%. I checked around with various local banks and found out that we could raise the finances locally at a much cheaper cost, mainly LIBOR plus 1.25%. When we looked at this carefully we found out that it was coming in the region of under 7%. This is LIBOR plus 1.25%.

I got in touch with the bank and spoke to the controller of the bank and he pointed out that at the Caribbean Development Bank Board of Governors Meeting held in Guadeloupe a decision was taken to reduce the interest rate on the ordinary capital resources of what they call the OCR of lending of the bank. So it is now at 6.75%, so the rate compares quite favourably with what we could have if we had raised the funds locally.

In regard to trying to curtail other costs, there is one element of it which is the 1% commitment fee on the undrawn balance which will begin to run 60 days after the agreement is signed. I spoke to the bank concerning this and it was agreed that we would wait until the very last minute until we are in a position to begin using the funds which will then be made available by the bank and the agreement signed. So we will minimise that cost incurred by rushing ahead and signing the agreement earlier.

Finally, the Fourth Elected Member for George Town mentioned the need to introduce a training facility on the complex. I have been made to understand that such programmes are now in place at the Community College. I am not sure to what extent they are advertised, but those programmes are there for personal development for those wanting to be trained in the tourism area.

I would like to again thank all Members for their support on this Motion.

The Speaker: I shall put the question on Government Motion No. 2/96. Those in favour please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it. The Motion is accordingly passed.

AGREED: GOVERNMENT MOTION NO. 2/96 PASSED.

The Speaker: Continuing with the Second Reading of The Loan (Capital Projects) Bill, 1996, and The Loan (Capital Projects) 1993 (Amendment) Bill, 1996.

The Fourth Elected Member for West Bay.

BILLS

SECOND READINGS

THE LOAN (CAPITAL PROJECTS) BILL, 1996 TOGETHER WITH THE LOAN (CAPITAL PROJECTS) 1993 (AMENDMENT) BILL, 1996

(Continuation of Debate thereon)

Mr. D. Dalmain Ebanks: Thank you, Madam Speaker.

The two Bills being debated have priority over any of the other Bills in this Meeting. They are asking that we borrow 'X' amount of money that will be spent in the way I am sure all Members of this House agreed was needed to help develop our roads, recreation centres and parks, but most of all the educational system.

These things have been spoken about in the past. But I see where the Opposition is complaining against it, that we should not get the money to get these things done. I would like to know how we are going to get it done if we do not have the money. Most developing countries cannot finance themselves all the way, they have to borrow money. That is our position here.

I feel that the Opposition is just trying to tear down what the Government has been doing. They know that this National Team Government is a good Government. We have moved this country back to where it is something to look up to. But they will never give credit where credit is due. Their method is to tear down and destroy. They seem to think that they know it all, but they never come back with a solution to anything they try to tear down. They cannot do it because it is not in them.

(inaudible interjections)

Mr. D. Dalmain Ebanks: I am going to knock you out.

(Members' laughter)

Mr. D. Dalmain Ebanks: They ask, what has this Government done? The First Elected Member for Bodden Town said some time back that a blind man could see what was needed. It is funny, because their blindness is worse than a blind man's, because they cannot be seen.

I support this Bill all the way and all that it stands for. It is needed and I hope that the Opposition will learn a lesson before it is too late. I do not know if they can do it.

The Speaker: The Honourable Minister responsible for Tourism, Aviation and Commerce.

Hon. Thomas C. Jefferson: Thank you, Madam Speaker.

When we get in front of the microphone and start talking about fiscal or financial imprudence or lack of proper management, I believe there is a little poem that should be read to those Members of the Legislative Assembly, among others. With your permission I will read it:

*You've got to have the goods, my boy,
If you would finish strong.
A bluff may work a little while,
But not for very long.
A line of talk all by itself
Will seldom see you through;
You've got to have the goods, my boy,
Nothing else will do.
The fight is pretty stiff, my boy;
I call it rather tough,
And along the route there are the wrecks
Of those who tried to bluff.
They could not back their lines of talk
To meet the final test.
You've got to have the goods, my boy,
And that is no idle jest.*

I was not in here in the House for all of the debate because of other commitments.

When we were planning the Cayman night in Chicago in the early part of the year, we settled for the date of the 27th simply because last year the June Sitting of this House started on 1st of June. We were hopeful that by setting the date for the 27th, this House would have adjourned by then. When it became known that the timing for the beginning of the June Sitting was the 19th, it was impossible to cancel the invitations which had already gone out, and we had to proceed with the function as planned.

I must say that I was very pleased with that function. We drew 850 wholesalers, travel agents, airline representatives, among others, to that function, as well as many of our local partners in tourism. I hope that benefit will come to the Cayman Islands as a result.

The Bill presently before the House, the 1993 Loan Capital Project Law, which was passed on the 29th day of November, 1993, listed a number of projects for which funding was being sought. The last item on that list of projects, the Community College building, was sought to be financed with an amount of \$2,635,000. That amount was not used. What we basically used was \$588,434. That left within that approved loan \$2,046,566.

The Bill before the House, A Bill for a Law to Amend the Loan (Capital Projects) Law, 1993, seeks to reallocate that sum of money by distributing \$61 1,260 to Sports Centers and Parks, and to utilise the remaining sum of \$1,435,306 for school buildings without any specific label as to which building, rather than the Community College. This amendment had to come back simply because we could not utilise the remaining funds without proper approval from the

Legislative Assembly. Even if we tried to use it for school buildings we had to come back here.

I heard all sorts of commentary about that, so much so that some people may believe that we are borrowing \$10 million plus \$8 million which is certainly not the case. The \$8 million was authorised earlier in November 1993. Roughly \$2 million of it was not used and we are seeking to allocate a portion of it (\$61 1,260) to Sports Centres and Parks, and to utilise the remaining amount of \$1,435,306 for school buildings as the Ministry and Department so indicated in their budgetary request.

The other loan, A Bill for a Law to authorise the borrowing of up to \$10,685,268 for the financing of specified Capital Projects, lists \$200,000 for Civic Centers and Museums; \$4,050,000 (almost half of the amount) for construction of roads; \$37,000 for Harbours and Docks; \$709,774 for Public Buildings; \$2,221,518 for purchase of land; and school buildings \$1,420,000; \$846,973 for Sports Centers and Parks; \$1,200,000 for Post Office buildings.

All of us who have lived in the Cayman Islands for some time remember when some of these roads were built. Any of us who travel the roads today, particularly the roads that are paved with hot mix, see cracks in many areas. This indicates that the life of that road is (or has) coming to an end in terms of its economic life.

As we enter the rainy season, if we do nothing it will only be a matter of time... and as we travel around it is evident that in some places those networks of cracks have begun to come loose and are becoming potholes. Some of the roads were built 20 or 30 years ago, even more in some cases. I think the Government's priority here is right. It must be done.

Borrowing \$10.6 million does not put the country in any serious difficulty. We have a budget in excess of \$200 million. The recurrent revenue alone is estimated to be \$185 million. In order to utilise and honour our debt, we are only using 5.3% of the revenue. There are countries in this world (The US, UK, Bermuda or any other) who would love to be in our position.

I wonder what they mean by financial irresponsibility. Is it using 5.3% of our revenue to pay our debts? Most people utilise the use of 10% of the revenue to cover their debt obligations as being the border line. We are about half of that percentage, so what is the worry? The worry is that they do not want us to do any roads because we are going to get too much credit for it.

I heard the Fourth Elected Member for George Town speak for hours about one line in the supplementary request. Which line was he talking about? If you look at the sum of money requested for purchase of lands, you only need one line to say George Town block so, and so, line so, and so. What further explanation does he want? It is an old complaint.

Being the former Financial Secretary of this country when we had a budget in 1988 with about 100 pages, the Opposition always said that we did not give them enough information. Now look at what you have, a budget in excess of 300 pages, and they come in here still saying that they do not have enough information. They want to run up the cost of producing paper in the Government. I thought that was high enough already!

Anyone who lives in this country and says that we should not spend \$3 million to correct the deterioration in the roads in George Town, like the Fourth Elected Member for

West Bay said, and quoting the First Elected Member for Bodden Town, they are more than blind. If we do not do it now, the next time we try to correct it I will bet that it will cost somewhere between \$4 million to \$6 million if we do it properly.

There is no sense in doing main roads and talking about chip and spray which cannot last for more than a year. The traffic going through this country at the present time... and we look at some of these huge trucks... when you take the bend with that, the chips come off, and continue to come off. That is where the money is wasted. My father always told me, 'Son, if you are going to do it, do it properly. It may cost you more, but it will last longer.' That is the philosophy in this country. That is why we have the roads we have today.

They are talking about borrowing? In 1973 (and I am not discrediting the 1973 Government or the former Financial Secretary) the Budget of this country was \$6,179,659.15. Let the Opposition go and find the Loan Law that authorised the \$5 million in that year. They borrowed \$5 million, almost the same amount as their Budget. Why? Because the infrastructure of this country needed to be put in place.

Item one in the schedule of the Law: the construction and equipment of Administration Headquarters of the Government of George Town, which is what we call the Glass House today; the improvement and equipment of the terminal building at Owen Roberts Airport, George Town (that is, the old terminal); the construction and improvement of highways in the Cayman Islands; the construction and improvement of Harbour facilities in the Cayman Islands. They were not irresponsible. That is not the point I am making. But having put all of this in place, the life of whatever they did 20-odd years ago, I think we can see the need to do some serious road re-construction. That is what the Bill is all about. Almost half of it is dealing with roads.

This is only the start. A lot more has to be done. The majority of it (and I am getting a bit of coaching here and there) is in the district of the Fourth Elected Member for George Town. I do not know what he is grumbling about. Maybe that is the one line he is talking about - he does not want the \$3 million for road work.

Mr. D. Kurt Tibbetts: Madam Speaker, on a point of order.

POINT OF ORDER
(Misleading)

The Speaker: May I hear the point of order, Fourth Elected Member for George Town?

Mr. D. Kurt Tibbetts: At no time in my debate did I say that I did not want to see the \$3 million worth of road works done in George Town. The Minister is misleading this House.

The Speaker: The Member has a point, Honourable Minister. I do not think that he said that.

I think that we should take the luncheon suspension at this time.

Hon. Thomas C. Jefferson: Madam Speaker, I did not say that the Fourth Elected Member for George Town said that. That was my observation from his debate.

The Speaker: Proceedings will be suspended until 2.30 PM.

PROCEEDINGS SUSPENDED AT 1.05 PM

PROCEEDINGS RESUMED AT 2.42 PM

The Speaker: Please be seated.

The Honourable Minister responsible for Tourism, Aviation and Commerce.

Hon. Thomas C. Jefferson: Thank you, Madam Speaker.

When we took the break I was commenting on the amount of money in the Bill dealing with the construction of roads. There has been some extensive exercise carried out to make an assessment of what roads need to be fixed. Just in George Town alone, my understanding is that the estimate is that \$5 million worth of road work is immediate. This is based on some roads paved with hot mix and some with chip and spray.

But, being the responsible Government that we are, we are going to fix the majority of those roads and yet not put the country in any real financial difficulty while doing so.

When we took the reigns of this country there was \$43 million in public debt. There was \$80.5 million in contingent liabilities, meaning guarantees and what have you that the House approves. At the end of 1985 the total public debt (which was borrowing directly by Government and by the statutory boards and Cayman Airways) was \$51.5 million. Sixteen point eight million dollars of that were debts the previous Government left us, otherwise the public debt today would be \$34.7 million.

The General Reserve, which they tried to confuse the public with, was \$10 million. But there are two pockets. In the left side you have the General Reserve and in the right pocket you have a deficit of \$7 million. If you are going to count how much you have, you only have roughly \$3 million no matter how you try to put the spin on what you have to say.

This Government has always acted responsibly in the financial arena, in the management of the Government and otherwise. Today \$9.8 million is the amount of revenue that we use to service debts, and those debts are not created in a major way by this Government. When we took over we found \$43 million already in place. We have been paying that off over the past three years. I am not going to go into detail because I remember the Minister for Education making this point on several occasions. I am sure that members of the public are aware of it.

I really want those who have been making a lot of noise in the House to justify all of the things that they have said. As I read the newspaper on their debate I really do not see much evidence for them to hold on to. Is it that the country is fully occupied? Is that a justification? Is it that big and small contractors have work? They do not want to talk about that; they want to say something else. It is that the Government is making too much money? No. They are not saying that either. Is it that the economic buoyancy in the country is too good? No, they are trying to say otherwise. Is it that the National Team has put this country back into a sound, economic and financial position together with the Official Members of this Government? No, they do not want to talk about that.

They should not be like the ostrich and stick their heads in the sand and then pull it up every once in a while

and bellow complaints and accusations. The public understand what the position is. They are trying to use certain words trying to convince them that it is not so, but every person in this island, who is legally here and who has Caymanian status, or who is a born Caymanian who wants a job, can have one - every one of them. There is not another country in this world..., and let the Opposition correct me. There is not another country in this world that can say that and be right.

Who did it? It certainly was not the last Government. The loans that they created... the Backbench is part of the National Team, I do not give any credit to some of our Opposition for doing anything other than trying to take us to task for issues which are already resolved. Given all the things that we have heard in recent times, I must give credit to the First Elected Member for Cayman Brac and Little Cayman for his contribution yesterday. His contribution is so close to the truth, and it is the truth, that the Opposition did not want to hear it. I think they turned their ears off.

In previous contributions by the Fourth Elected Member for George Town (and I am not attacking him, I am just quoting what I know) gives great credit to the MGTP, how that should be the case, and it is a long term plan... Anybody can make a long term plan. Anybody can spend money too. Not everybody can earn it. The National Team has a record of earning money to spend, and for spending it wisely. While they do not agree with what we are doing, let us wait until November 1996 and see who is right.

I bet the public understands what we are doing, and I bet they appreciate what we have done. There may be a little fight for re-election, but I am letting them know today that I am not prepared to stand down. I am going to be in there with the rest of my colleagues from West Bay. Everything we have fixed we will take credit for and there is much of it. I try not to blow my own horn, but sometimes it is worth the mention.

I remember the Second Elected Member for Cayman Brac and Little Cayman raising all kinds of sand about the moratorium - we should not have done that. Some other people in very high places were basically acting the same way. There was every justification, every evidence..., even those who were not quite with us when we did it, are now saying it was a wise idea.

It is not just what I say. Here is a report from the Caribbean Development Bank, the same report that the Honourable Third Official Member spoke of this morning. Do you know what it says in one of the paragraphs? '1.08: The economic activity in the construction sector was fueled by the removal of a moratorium imposed on hotel construction. I would read some other parts of it, but I am really not prepared to do that yet.

I realise I am straying a little bit, and I ask for your indulgence. We are talking about a Bill that provides money for Capital work. They said that it was because of luck that the country has a record of air arrivals 19% above 1992. It had to be attributed to the previous Government. It was not anything that I did. Then it came to 1994 and they found a similar percentage of increase in visitors. We know that air arrivals generally spend for their three or four days, over \$1,000 in this country. Take 287 and multiply it by 1,000. Everybody can figure out what that amount to - millions. So, when we get to 1995 and we are over 361,000, what do they say? It is mass tourism now, a different spin on the argu-

ment. We are doing too good. Now they have to put a negative thing in to try to confuse people.

Do you know who the people who receive visitors are? Do you know the sales in the duty free shops? Do you know the number of people who go to dinner at restaurants? While they say the taxi and tour bus operations are volatile, when we put it all together and we are talking about \$10 million to \$14 million being earned by this particular sector of the economy - all from tourism. I am not blowing my trumpet, it is a fact.

When we were dealing with the heritage project, we heard those words from the First Elected Member for Bodden Town - mass tourism. Six hundred thousand visitors came before I arrived.

I give credit to the former Member for Tourism, Aviation and Trade. I always try to treat him as the gentleman he is, and try to put the politics in the back pocket and forgetting about it for now. He has made his contribution. With the help of God I am going to finish making mine by November. Then, when they challenge me in West Bay during the campaign, I am willing to defend it too because I am running.

It is always good to come back to the base from which we start. I know that you would like me to do that. This Loan Capital Bill is nothing more than the essential that is required in this country. It would be a miracle if the Government were in the position every year to do all of its Capital work from the surplus (the Minister for Education used the same word) - the revenue less the recurrent and statutory expenditure - that amount. It would be a miracle if that could ever pay for all the Capital work throughout the history of an island or a country. It has never happened in this country or any other country.

There are times when we must act because having put the country back on a sound financial footing, having paid off millions and millions in debts created by the former Government, having taken the bold decision only to do on-going Capital projects in 1993, there are certain projects which cannot be further postponed; Roads is one of them.

This Bill also deals with Sports Centres and Parks. I remember the second Budget Address I gave back in 1983, making the comment that social development needs attention. It never got much until the National Team came along. We not only have additional facilities which the public appreciates, whether it is the Truman Bodden Sports Centre, or the Ed Bush Sports Centre. We also have an enhanced programme of athletic endeavours, whether it is football, basketball, netball or cricket. We can even host the Shell Cup, which has never been done before in this country. We get no credit for all of this from the Opposition. They feel we are spending too much money on social development.

Madam Speaker, I am going to make this statement and stand by it: Never in the history of the Cayman Islands that I know of has there been so much attention paid to social development. I think The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture is owed a great debt. Sure he has support from us, but he is out there taking the licks and marching forward with it. The country owes him a great debt.

As one Minister would say, it is hard to argue with results. Look at them, even the blind, even though they cannot see them, hear and know about them. I am not talking about the blind members of the community; I am talking

about the blind Members of this House. This has all kinds of domino effects.

I have often heard the Fourth Elected Member for West Bay saying that sports is the answer. It is not only today that he is saying that. When I was a teenager he used to teach me how to box too. He has been saying it from those days and helping in the community. We have to spend another \$2 million in 1996 to move on with the programme to provide facilities for the youth. Even we get out there sometimes and believe that we can play football I think the Honourable First Official Member was part of that not too long ago. Why are we a part of it? We are part of it because we want to demonstrate our support for that movement - our support of wholesome activities for our people.

Look at all of the Police Reports from 1992 forward. When we arrived on the scene the Juvenile Court was lucky to start at 10.00 on a Friday morning and get home at 7.00 in the evening. They had some serious cases in front of them. I will not go into detail on that because I think the work has been done. The results are evident. Now they go to the court room and in a period of a couple of hours business is finished. The Cayman Islands Marine Institute - another programme instituted by the Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture - and he had to fight to get it through. They did not want to do it - spending too much money on sports and other programmes. Now I think that even they are starting to say, 'It was not a bad idea. It seems to be working out OK, producing good results.'

This Government is on the right track. It is listening to the people and carrying out its promises to the people of this country. It is not enough to say that we are carrying out the promises we made in 1992, but it is sufficient to say that we are. We are still listening; we are still carrying out our promises. If anybody wants to read a copy of what we promised in 1992, I have several copies of the National Team Manifesto. Although it has 13 or 14 pages, there is very little in it that has not yet been done, but we still have work to do. It deals with all sorts of issues, the economy, Cayman Airways, the Constitution, Finance Committee, Civil Service and Police Service, private pensions, crime, Immigration, Tourism, Agriculture, Community Development, Education, Housing, Sports, Health Services, Environmental protection, Roads, Channels and compulsory acquisition and consultation. Most of it has already been done.

As I said, there is more work to be done as well. That was one agenda of promises. We have more to issue shortly to indicate to the people of this country the direction we feel we should go. Let them decide. They will get their opportunity on the 20th day of November of this year.

The National Team, this Government, is acting responsibly. There is no secret about the Budget that a Member tried to talk about from the other side of the floor. This has been to some extent the way we have handled it for years and years.

If you step back in time 10 years, the Opposition was talking about \$10 budgets. Similar concept, one that says we want Legislative approval for this project, and the allocation is put in the Budget. If the country's financial position improves during the year that is estimated, you move forward to implement it. If it does not, then you have to reconsider - can the project wait? If the answer is yes, it waits. If the answer is no, then you have to move forward. If the

revenue is not there, the only answer I know is to go and borrow.

With all this money we have earned over the last three years, we have given Civil Service increases - 5% in one year, 9% last year - \$7.5 million. Why? Because we are honouring our obligation! They are entitled to it; the country could afford it, and we did it.

Social programmes, crime - we have even increased at our own initiation the number of police men within the police service. When we had the problem with 'sessions', we authorised the Commissioner to set up a unit. We told him to go and conduct recruitment and we would find the money. We did it. Today, we find that results from that particular unit are coming in. The police certainly got their hands on the control in most areas. I think we owe the Commissioner of Police our congratulations. He has been doing a good job together with other members of his service, as he calls it, which I think is the correct word.

When we look at the position of Government at the end of May, we paid all of our debts. We have not collected everything that is due. We are still working on that. We have a surplus position in excess of \$11 million. They are calling that irresponsibility? All kinds of spin on the words they are using, trying to confuse the public. Thank God some of us know the facts and can present them.

One section of this report which the Honourable Third Official Member responsible for Finance and Development read from this morning, also talks about public finances. These are not Thomas Jefferson's words; this is a team of specialists from Caribbean Development Bank made up of technical persons, economic persons, finance persons and a combination of civil engineering skills. They say (on page 24 of that document); "The performance of the central Government finances from 1990 to 1994 was marked by cumulative savings of \$18.5 million. This reflected an average rate of growth in current revenue of 11.7% to \$148 million in 1994 compared with the average growth of expenditure of 7.8%. Traditionally, the central Government overall deficit declined by \$50.7 million in 1993."

The Opposition wants to know what we did, tell them to read this sentence. "This reflected a decline of 30.4% in capital expenditure a net lending to 17.6% over the period. In 1994, the current account surplus increased by 57.3% to \$50.1 million." That is the same surplus I was talking about a while ago: In essence, confirmation of the good stewardship of this Government. If they want confirmation of it, it is here. There are no word like 'irresponsibility' is used in this document; no words like 'imprudence' are used in this document. It is all positive.

That is not what they want to hear, but that is the facts as the Government knows them to be. The records speak for themselves. I do not know what twist they will use after this, but we will reserve every right to answer.

What else have we done? I do not have any notes. Ask anyone in the financial industry what the track record of this Government is, having taken power in November 1992. Ask them to give you an assessment of how much business is coming to this country, of how many days a week they have to work and how many hours, and what is the quality of the business coming to this island.

The stock exchange was a good move by the Honourable Financial Secretary. We support him. We take credit for backing the Financial Secretary on the Mutual Fund Legislation in 1993. It was the biggest increase... I know the

Opposition does not want to hear this, but they do not know anything about running a country. All they know about is sitting on the other side and throwing darts and complaining and ridiculing. They can check my record. I believe I know something about running a country. I will put my racket against any person in this House.

The banking arena, the trust, the company management... They asked if we knew what we were doing when we lowered the fees on companies. We told them then that, yes, we knew what we were doing. Because we made that move, because the world is becoming a keener competitive place to operate, we cannot sleep too long or stand too still. If we do we will lose our attractiveness. That is why the Financial Secretary put this forward, and we supported him. Now he is coming with a Monetary Authority Bill. It is a timely and a right move.

I am glad to see too that he got his signature on the notes. It was long overdue. I take umbrage to those in here who have made certain innuendos, or inferences about his ability.

This is the way some people operate - if they cannot find a fact to trip somebody up with, they ask every embarrassing question they can possibly dream of just to try to degrade the individual. I know about it. I suffered through it too. Thank God, he is a bigger man than that. I would not question his ability as a Financial Secretary. I suggest they do not do so either because he has the interests of this country at heart.

He got his qualification the hard way. I know a little bit about that too. It is not easy as an adult to pull up your roots and go to New York and gain a qualification in a competitive university and then go on and sit for the Certified Public Accountant exam and win; and then to go on and say 'this is not adequate. I want to be in the financial arena to get a working experience in it.' He has done all of that. Why would we question him? Are we questioning his commitment? No way! He is the advisor to the House on financial and economic matters. I would suggest that those who try to second guess him get the facts. Before posing embarrassing questions, go to his office and talk to him. I lived through it. They come into the House making all these statements. Then when we take a break and go into the common room, they try to fluff you over. 'I did not really mean that, you know.' We are supposed to accept that and not remember that the thing went over the air and people heard it - and some people believe it. Where are we going if we do that to each other? Where is the leadership in this country? Where are the role models for the younger generation to follow? Where is the integrity of the Members of this House? It is a shame to even be talking like this.

Do not tell me that you will do anything in the world just to make a point, or just to try to win an election. If I have to do that, they will not have me standing for any election. For 50-odd years of my life I have not done it, and I am not going to begin now. I have taken my licks. I gave a few back too, and I am still capable of giving a few back. Anyone who attacks me in my present mood will get a response.

No matter what dictionary, atlas, encyclopedia or what CNN or CITN or Z-99 they go on with their advertisements, the facts are still going to ring true at the end of the day. I hear people talking about the Government spending \$700 million. Why do you not tell them what we spent it on? Why did they not tell them how much money it takes to run the Government itself? Why did they not tell them the total

recurrent expenditure and statutory expenditure in this country? Because that is another spin, trying to confuse the majority of the people in this country that they are right and that this Government has gone off on some spending spree. There is no record in this House or in the Treasury, or any place else that they can factually use and talk about the National Team being on a spending spree.

Did you say that Gilbert is on a spending spree? I apologise, Madam Speaker. I know that I am not supposed to mention Member's names.

Mr. Gilbert A. McLean: I said McKeeva.

Hon. Thomas C. Jefferson: I think I addressed that point already. The Second Elected Member for Cayman Brac and Little Cayman is trying to take me down a different road. I will only say to him that I know that he knows the good work that is done by the Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture. He may not want to publicly acknowledge it, but I know that he knows. I also feel that he appreciates what is done, although he is the Opposition. He will not give him any accolades for it.

I even saw the front page today where he is accepting a cheque. I looked very carefully to see where the Financial Secretary was and he was right near to him. So you are not going to hold that cheque too long. Get it into the Treasury and earn some interest.

Everything that is before us... I wonder, Madam Speaker, if I could ask for a little break, my throat is getting in trouble.

The Speaker: Yes, certainly. Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 3.32 PM

PROCEEDINGS RESUMED AT 4.05 PM

The Speaker: Please be seated.

The Honourable Minister responsible for Tourism, Aviation and Commerce continuing the debate.

Hon. Thomas C. Jefferson: Thank you, Madam Speaker.

As we took the break I had referred to a comment made by the Second Elected Member for Cayman Brac and Little Cayman, when he said 'McKeeva is on a spending spree.' I thought I would try to educate him by saying that prevention (as my parents and grandparents used to tell me) is worth a pound of cure. It is estimated that the Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture, will spend \$7 million in the area of sports and his other responsibilities, for the four years, which is a combination of salaries and operational expenses of the various Government units and the addition of facilities.

We can take that \$7 million and compare it with the cost of policing the country, which is the curing side. For the years 1984 to 1996 we spent \$100 million in police services alone. Would it not make more sense to spend money preventing that situation? That is what the Minister is doing. I do not call it a spending spree, but they always put a little spin on it just to get some kind of reaction from the public.

The other matter I want to refer to is my earlier comments about certain kinds of statements and questions being posed to the Honourable Third Official Member responsible for Finance and Development. One of the things that I failed to mention was a news letter which is floating around the island called "*Town Talk, a Newsletter for the Constituents of Bodden Town*". On page 2 it reads: **The Financial Secretary gave a long, rambling answer, unfortunately not still clear as to the Government financial position and one can only speculate that given the National Team's poor record of management that the financial position cannot be good.**"

As I understand it, one of the publishers of this was in the gallery earlier, and the other two are Members of this House, the First Elected Member for Bodden Town, and the Second Elected Member for Cayman Brac and Little Cayman. I believe that my earlier comments were necessary, and I do not need to say anything further about it except that it is unfortunate that those words got into "The Town Talk". I am sure that there are many other things that they could say. Perhaps they too are sorry. If they want to elucidate the House by taking a point of order, I am ready to sit down.

The Bill before the House also makes some allocations within this Loan Bill. Within the \$10.7 million is \$2.7 million for school buildings, and within the 1993 Bill the reallocation of a sum of \$1.4 million for school buildings. The Budget also allocates \$2.7 million for school buildings. We know that primary school buildings and high school buildings, particularly primary school buildings, are spread all around this country (when I say this country I mean the Cayman Islands), a total of \$5.5 million. This expenditure cannot wait. It needs to go forward to provide facilities for our youth. I support it and I support the Honourable Minister responsible for Education and Planning. I am sure that if it were not urgent, it would not be here.

I have already explained the procedure for dealing with the Budgetary allocation and the \$25,000 allocation. I mentioned that ten years ago it cost \$10 in order to get approval for the project. When the financial position improved during the year, we moved forward with it.

The other area I referred to, which I think triggers the amount of money spent in sports and community development, is the statistics on crime. None of us is totally pleased with it, but the figures are reducing. When I look at the 1992 position, 1993, 1994, 1995, we find a pretty sharp reduction in most of the crime. It is right to give the Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture some credit for it. He must certainly play a part in it. Certainly the police play a prominent part as well.

In all that we do, we do it in the interest of the public and based on sound financial movement. "The Town Talk" also mentioned a budget of \$219 million. There is nothing wrong with that. The country can afford it. Are we going to deny services to the public? Are we not to provide facilities to enhance the standard and quality of life in this country? Who should we deny if we are going to reduce the budget?

In all of that, the responsibility rests on the Government to move forward with prudence, with fiscal responsibility providing the services required by the public, and not putting the country in any difficult position. Certainly, 5.3% of the total revenue to pay your debts is not any alarming figure. Out of a total revenue earned of \$185 million, \$9.8 million is not any alarming figure.

It can be "Town Talk", or "District Talk", or "Cayman Islands Talk", but the fact is that it is only talk! It is not based on any fact. Just the kind of spin certain people want to put on it trying to influence the population that something is drastically wrong in this country. I would like for them to show me where it is. They talk in parables, they talk in generalities, they never come with specifics. When you challenge them and ask where it is, they start to complain. Then you say to them, "What really is your problem? What is it you want me to do?" Most of the time they cannot tell you.

I close my speech by saying to the public of this country that the economy of this country is buoyant, the financial position of the Government is healthy, and as long as you have the National Team running the Government it will continue to be healthy because we practice sound fiscal policy and integrity in our management of the Government.

Before I sit down I also want to say how impressed I am with the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation and the job that he has been doing since taking that responsibility. It is not an easy subject to deal with. I was Principal Secretary of Health, Education and Social Services from December 1979 until February 1982. It is not easy at all, and it only gets more difficult. Obviously he has things in hand. He has generated a good team that assisted him to move the project of health services forward.

I am looking forward to the ground-breaking in West Bay shortly for the clinic in my district. Bodden Town has theirs, North Side and East End will soon get theirs (as with us in West Bay). We are not just looking out for ourselves - just because I live in West Bay it must get everything. We look for a distribution of the expenditure for capital works so that each person living in each district gets the kind of service and facilities they require.

Simply put, Madam Speaker, we look out for the interests of everyone in these islands. We are not playing games; we are dealing with the broad brush of the population. We are not dealing with any parochial movement.

Madam Speaker, I am grateful for your endurance and tolerance this afternoon. Thank you, very much.

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker. The last Minister has clearly put the content of the Bill before us and has also dealt with the nasty remarks that have been put forward, leaving very little for me to add. But I will still have my say as far as the portion of the Bill concerning my Ministry.

I would first like to say that I am delighted to know that I am part of a Government that is exactly as the last speaker said - not for self. We are here to look after the needs of all the islands. That is exactly what this Bill does.

The way the Opposition tries to twist things to make this Government look bad is amazing. I honestly wonder who they are catering to. As you drive from district to district - it is just like flogging a dead horse - the people understand their tactics. They tend to especially ignore the type of questions posed on the floor of this House.

But I am pleased to know that my Government saw fit to support me with the very first item in this Bill, the \$200,000 which will allow me to provide in my district a Civic Centre/Hurricane Shelter which is so badly needed. It may

be said that we have one in East End, but the size of my district dictates the necessity to have another one in Gun Bay.

I know that the Opposition has in recent times visited that area looking at the road works which I have done. I just have one word of warning: save your gas because I will be building more. I wish that waste of manpower would be put to better use.

I move to the second item in this Bill of \$4,050,000 for construction of roads. The Fourth Elected Member for George Town made, what were in my opinion, nasty remarks regarding Public Works Department and the Government with regard to roads. I wish that the Members for the constituency of George Town had advised that Member a long time ago to stop riding the fence. Either be on their side or be on the other side. Out of courtesy we have always invited him to go out and tour the districts and to suggest what roads are to be fixed. If because he has not lived up to his part of showing support to the Government they have decided not to take him this time, he should not take out spite on my Ministry or the Public Works Department. Tell it like it is.

My duty is to the three Members for George Town who are supporting the National Team Government. As I said, I have extended the courtesy to him many times - something he has not really returned the way he should have, because I am often faced with questions.

In his debate he said that the deployment of manpower in the Public Works Department was a waste of time. He drew some references to show that they could be in one location and be called to another. The only time I can think of that is when we were doing his district a favour. Is he saying to me that we should not do that for his district?

Yes, I have had to remove the Public Works Department from one of the Eastern districts because there was literally a crisis situation in his district. We had roads in Templeton Pines... as a matter of fact some houses were flooded. I had the same thing in the swamps. Yes, I have that right. The Governor gave me responsibility for the Public Works Department and I use my better judgment. If I have to move them around, I move them around.

That is no waste of manpower. I hope he can go into Templeton Pines and say that to the people there, or to the swamp and say that it was a waste of manpower when I brought those people to fix the roads in those areas.

Mr. D. Kurt Tibbetts: Madam Speaker, on a point of order.

POINT OF ORDER
(Misleading)

The Speaker: May I hear the point of order, Fourth Elected Member for George Town?

Mr. D. Kurt Tibbetts: In my opinion the Honourable Minister is misleading the House. During the course of my debate I at no time said that Public Works Department was wasting time. My argument was based on the fact that the way they were deployed, time was not utilised properly. It had no bearing on creating any impression that the Public Works Department as regards their operation.

It is obvious from the Minister's contribution that he is, either by innuendo or direct speech, saying that I have

said that the Public Works Department is not doing its job properly.

The Speaker: Honourable Minister responsible for Agriculture, Environment, Communications and Works, can you show me the portion of the Member's debate that does say that it is a waste of time? I have a copy of the debate in front of me.

Hon. John B. McLean: If you read page 2, I think it is in the right-hand column. Although he used his usual tactic of saying that he was only using names... But you can read what he said here. He said: "...the Public Works Department is located in the district of George Town. There is a little plan for them to go up to the East End of the Island out from my district, and they have agreed to do certain works. All of a sudden there is a call from the lady Member from West stating that she wants something done now..." He goes on in another section to say that those who holler loudest are the ones who are attended to.

All through his statement he pointed out exactly what I have said.

The Speaker: But he has not used the words, 'that is a waste of time.' I do not see that here, and I think that the point he has raised... If you are going to quote, please quote correctly. He has a valid point of order here. He said, "**The Public Works Department then has to redeploy the equipment and the manpower all the way down to the other side of the Island to get something done, then go back a week later to finish what was started. That is because there is no plan.**" He did not say 'because it was a waste of time'. That is the point I think he has raised.

Please continue, and quote him correctly. Thank you.

Hon. John B. McLean: Madam Speaker, I was looking as you were speaking. I will read further with regard to the construction of roads. "**I will quickly say again, to make the point, that if we examine the Public Works Department and the deployment of its manpower and equipment, if they were given a chance to really speak their minds and say what they know to be the correct way, the amount of man hours and equipment time that is wasted would amaze us.**"

The Speaker: I do see that there. But he is really making the point about the proper deployment of its manpower and equipment. I think it is a reasonable thing for him to say that "**the amount of man hours and equipment time that is wasted would amaze us,**" but I do not think that he is saying that it is a waste of time. He is just saying, "**That is real money - that is not what one writes on paper. Those people are being paid to operate the equipment.**". I think that is the point that he raised there.

Fourth Elected Member for George Town, have you anything else to add to that to clarify it?

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

As the Honourable Minister has read, my point was that Public Works Department's time - both manpower and equipment time - were wasted at times. I made no inference that the department was wasting time, which is what the

Minister was trying to say that I said. I was not saying that. I repeat that I was not saying that!

The Speaker: Honourable Minister, I have accepted that as a valid point of order. Would you please continue?

Hon. John B. McLean: Thank you, Madam Speaker. I bow to your ruling. As the saying goes, "A rose by any other name still smells the same."

Let me say, regarding his remarks on this Bill and the things which have been said with regard to a national road plan, this country has had one or two national road plans - plans which this country could not afford, which literally took families out of their homes. The type of plan he referred to in his debate, the MGTP, was such a plan. This Government campaigned in the 1992 election against things such as the MGTP because this country could not (and still cannot) afford it.

MOMENT OF INTERRUPTION - 4.30 PM

The Speaker: Honourable Minister it is now 4.30, but I would hope that Members would wish to continue until about 5.00 to conclude the debate on these two Bills.

Would someone move a Motion to that effect? The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker. I move that this Honourable House continue until the debate on the Capital Bill before us is completed.

The Speaker: If there is no debate I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The debate will continue.

AGREED: STANDING ORDER 10(2) SUSPENDED TO ENABLE PROCEEDINGS TO CONTINUE UNTIL 5.00 PM.

The Speaker: The Honourable Minister responsible for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker.

As I started to say, during the 1992 elections, this Government campaigned against the plan I mentioned. We told the people exactly what we would do if elected.

Speaking of no national plan, as I pointed out, we have had two which the Government of the day actually spent a lot of money on. I am not referring to this Government, I am referring to the previous Government.

What we have done in every budget thus far is have monies put aside for road works. For somebody to say that nothing has been done is being most ridiculous. In every district road works have been carried out on an annual basis. It is not what any of us would like to see, we would like to see more, but the first time the country could really afford us the opportunity of putting together a loan the size of which we are talking about now, is at this time.

I hear some rumble about wasting money on side roads. Let me say that this Government was taken to task; a Motion was moved on us because we did certain roads in

the district of West Bay. All roads that were fixed (and which are still being fixed) with taxpayer's money, and the persons for whom those roads were built, contribute to our revenue. So what is wrong with our doing it? But the Opposition has to have something to say, not that it is necessarily the truth.

We have fixed roads and we have built new roads. I would say that the largest expenditure on any one new road was built during our administration right here in George Town. All of the critics who said that was a waste of money are seen using it on a daily basis. It is working, and working well, serving the purpose.

We also have other plans for roads. It is not only the \$4- million, there are several other plans. One Member mentioned traffic congestion going east; we have plans in place to build a Crewe Road bypass; we have plans in place to build roads further east; we have plans in place to complete roads that are presently under construction in my district. We are also going to build the Harquail bypass and upgrade all major roads in George Town. There is nothing wrong with what we are doing or the way we are spending these funds in the Capital of the islands. In my opinion this is the right way.

I do not expect the Opposition to support us. Regardless of what we do we are wrong in their eyes. But, **as** far as I am concerned, I am going to do what my Government wants me to do with these funds. As my colleague said a while ago, we will stand by whatever we do. I am not going to ride any fence.

As we drive around in Grand Cayman today and reflect on what the roads were when we took over the Government, and on how little had been done as far as preventative maintenance in this country, and if there is somebody prepared to say that nothing has been done during the four years we have been in... Well, I think they need to get their head examined. We have done well with what we have had to do it with. As I said, God knows that one of the first things I did was go around with the various representatives to see the needs in the districts.

The Public Works Department, on more than one occasion, worked up costs on what it would take to repair roads in each district, as well as to build some new roads. To talk about not know where we are going.... We knew where we were going, but, unlike others, we waited until the right time. We did not take things into our hands and try to put down our Financial Secretary and not listen to his advice. No! That is the reason he is here. We waited until he advised us that it was the right time to get funds. We are not about to change the complement of this House as was done in the past so that the Government can operate because we cannot take advice from the Financial Secretary. It will never happen.

As far as I am concerned, the funds which we are seeking, as explained, are well within our means. As far as I am concerned, I have no problem recommending them to the public. Thank you, Madam Speaker.

The Speaker: Would the Honourable Third Official Member wish to wind up the debate on the Bills?

Hon. George A. McCarthy: Thank you, Madam Speaker.

I would like to thank all Honourable Members for their views in connection with these Loan Bills. As recognised by Members, and mentioned at various stages of the debate on these Bills, the total authorised borrowings for

1996 (once these Bills are passed) will amount to \$28.86 million. That is \$16.16 million during the Budget Session, together with the \$12.7 million of which only \$10.6 is being introduced by way of a new Bill.

As mentioned during the proceedings of Finance Committee in May, if the assumption is made that all borrowings will be expended during the year, the public debt position at the end of the year would be \$55.4 million, arrived at as follows: The public debt balance as at 1st January - \$33.3 million; less repayments during 1996 (\$6.8 million), plus draw down against loans in 1996 (\$28.9 million), giving a net position of \$55.4 million.

Mention was made during Finance Committee that the provision made in the Budget for the servicing of Loans amounted to \$1 1.6 million, representing 6.3% of recurrent revenue. It was further pointed out that this debt service cost could increase to \$13.5 million during the course of the year, thus increasing the percentage ratio to recurrent revenue from 6.3% to 7.3%. There is a likelihood that although the approved capital programmes for the year would now have increased to \$40.5 million, not all borrowings will be expended.

Honourable Members will recall that on Wednesday of this week, in an answer to a Parliamentary Question, I mentioned that based on the estimates provided by Public Works Department a range for the carrying out of capital works was given as falling between \$35 million to \$42 million, to the extent that the actual capital spending falls below the approved level, this should reflect a corresponding decrease in draw down against loan approvals for the year.

The Treasury, in its extrapolation of the overall financial position through the end of the year, has made the assumption that the approved capital budget will be expended in full. If this happens, the end of year out-turn is expected to realise a deficit of \$.5 million arrived at as follows: Financing available (revised local revenue) \$186.4 million; loan receipts \$28.8 million making a total financing available through the year of \$215.2 million.

Application of these funds will be as follows:

Recurrent and statutory expenditure, \$172.8 million; capital, \$40.5 million; total spending covering recurrent statutory and capital amounts to \$213.3 million, leaving an excess of \$1.9 million available.

When we take into account the deficit brought forward from 1995 of \$2.4 million, and match that against the excessive available financing over expenditure of \$1.9 million, this is how the \$.5 million deficit at the end of 1996 has been arrived at. I should say that every effort will be made to contain expenditure within the resources available, thus avoiding even this very small projected deficit.

During the debate on these Bills, I have been accused of being politically aligned. This would suggest the absence of objectivity in dealing with the country's financial affairs. In this regard I would like to assure all Members of this House, and members of the public, that if they were to hold that view they are entirely wrong.

As a Member of Executive Council, I am bound by collective responsibility. Any difference in views held between Members of Executive Council and myself should be addressed in Executive Council. I will not come to this Honourable House and try to create the impression that I am at variance with this or any other Government. To do so would be improper. I am not going to engage in such impropriety in

order to appeal to the sensitivities of any Member of this Honourable House or the public.

I have also read with interest quite recently the views of a certain aspiring politician on my response to questions raised during the meeting of Finance Committee held in May. Irrespective of what I said, the interpretation of what I said by such a person would not be any different. The lesson that I have gleaned from such remarks is that you cannot please everyone, and that to attempt to do so could mean a regression in the principles and standards that I have ascribed to and know to be correct.

Finally, as a Christian I am aware that a bitter spring cannot give fresh water, therefore I take consolation in the fact that while I do not know it all, I will continue to use the wisdom God has given me in serving my family, country and fellow man. My advice to this aspiring politician is, therefore, that it should always be borne in mind that no one gets ahead in this life with any lasting degree of success by unreasonably and unjustifiably castigating their fellow man.

This person's response to what I have just said is likely to become even more caustic in his publication concerning me. But I will not be concerned with that because, as I said earlier, I will not commit myself to doing or saying what is wrong in an attempt to please anyone.

I would like to thank Honourable Members for their support on these Bills.

Thank you, Madam Speaker.

The Speaker: The question is that the Bill entitled the Loans (Capital Projects) Bill, 1996 and The Loan (Capital Project) 1993 (Amendment) Bill, 1996, be given a second reading.

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

AYES.

The Speaker: The Ayes have it. The Bills have accordingly been given a second reading.

AGREED: THE LOAN (CAPITAL PROJECTS) BILL, 1996 AND THE LOAN (CAPITAL PROJECTS) 1993 (AMENDMENT) BILL, 1996, GIVEN A SECOND READING.

The Speaker: I will now entertain a Motion for the adjournment of the House.

The Honourable Minister responsible for Education and Planning.

ADJOURNMENT

Hon. Truman M. Boddén: I move the adjournment of this Honourable House until Monday morning, 8th July, 1996, at 10 o'clock.

The Speaker: The question is that this Honourable House do now adjourn until 10 o'clock Monday morning.

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

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until Monday morning at 10 o'clock.

**AT 4.51 PM THE HOUSE STOOD ADJOURNED UNTIL
10.00 AM MONDAY, 8TH JULY, 1996.**

**EDITED
MONDAY
8TH JULY, 1996
10.07 AM**

The Speaker: I will ask the Fourth Elected Member for West Bay to say prayers.

PRAYERS

Mr. D. Dalmain 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 II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 and give us peace now and always. Amen.

The Speaker: Please be seated. Order. Proceedings are resumed. As the Honourable Minister for Community Development, Sports, Women's and Youth Affairs is absent, we will defer the laying of the report.

Questions to Honourable Ministers and Members. Deferred question number 74 standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

**QUESTIONS TO HONOURABLE
MEMBERS/MINISTERS**

DEFERRED QUESTION NO. 74

No. 74: Mr. Gilbert A. McLean asked the Honourable Minister for Tourism, Aviation and Planning if approval has been given for another hotel on the Seven Mile Beach peninsula.

The Speaker: The Honourable Minister for Tourism, Aviation and Planning.

Hon. Thomas C. Jefferson: Madam Speaker, the answer is no.

SUPPLEMENTARY

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Honourable Minister say if there are any applications for another hotel pending with any of the Government agencies, including his office?

The Speaker: The Honourable Minister for Tourism, Aviation and Planning.

Hon. Thomas C. Jefferson: Madam Speaker, it is difficult to say whether any application is before any of the respective authorities, because it may have happened nine o'clock this morning.

The Speaker: The next question is number 100 standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 100

No. 100: Mr. Roy Bodden asked the Honourable Minister for Education and Planning to provide estimates for the cost of converting the Cayman Food s Building into the proposed educational facilities as mentioned in the Finance Committee's meeting of May 1996.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, the answer: Until the Loans Bill has been passed, the price negotiated and the contract executed, it will be premature to speculate on the cost of renovating this building.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Minister then say how he arrived at the position that it would be less costly

to purchase this building and to convert it rather than building a new purpose-built facility?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: I do not see how this arises out of the question, and I am not certain what the Member is referring to.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you very much, Madam Speaker. My questions are based on information which the Honourable Minister provided in his explanation during the Finance Committee meeting in May 1996.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: If the Honourable Member will let me see a copy of the transcript, I will be happy to look at it. But the question was directly in relation to the building. I know the Member does not like the answer he has received, but I do not have any other information here.

The Speaker: The next question is number 101, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 101

No. 101 Mr. Roy Bodden asked the Honourable Minister for Education and Planning on what basis was the Government valuator's report on the Cayman Food s property rejected.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden My Ministry has not rejected the Government valuator's report on the Cayman Food s property. It will go along with all other valuations to be considered by the proper authorities.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Minister say if we are then to understand that the valuation of \$900,000, as recommended by the Government's valuator, is still being considered as the appropriate price?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, I am going to repeat this for the last time. The previous answer stated that until the Loans Bill has been... and I will add, until His Excellency the Governor has assented to the Bill, the price negotiated and the contract executed, it will be premature to speculate on what the price will be. All valuations will go into the appropriate authorities and they will decide on it in due course, if the Bill is assented to and if a contract can be reached.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Can the Honourable Minister say if a copy of the letter from a Mr. Lambert, the Assistant Lands Officer from the Registrar of Lands, dated 10th June, has been forwarded to the Ministry stating that the property value for Stamp Duty is now \$1,268,500?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: That is correct. I would like to state that the basis for valuation for Stamp Duty purposes is the same basis for the purchase of the property by Government - the open market value under the specific laws. There is a considerable difference between two valuations given by two persons in the same department on the same piece of property on the same basis.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Since it is customary for the advice of the Government valutors to be taken into consideration, can the Minister say how he will reconcile this difference?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: It is not my duty to reconcile any difference. I have repeated that this goes on to the appropriate authorities who will deal with it. But there is a serious conflict between the \$900,000 given by one of the valutors in the Lands and Survey Department and the \$1.23 million given by another valuator in the same department.

It will not be my duty, I repeat, to reconcile which one is right or whether the several private valuations are right. It is a departmental matter and it will be dealt with through the normal course.

The Speaker: The next question is number 102, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 102

No. 102: Mr. Roy Bodden asked the Honourable Third Official Member responsible for Finance and Development if there are any outstanding duties still owed by Island Paving on equipment which was imported into the islands for the airport paving job.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Madam Speaker, the answer: The Customs Department's records show that there are no outstanding duties owed to the Cayman Islands Government by Island Paving on equipment imported to carry out the Owen Roberts International Airport paving project.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Can the Honourable Member say how much duty was paid on this equipment upon its importation?

The Speaker: The Honourable Third Official Member for Finance and Development.

Hon. George A. McCarthy: Madam Speaker, the equipment for this job was imported under the temporary importation facility allowed under the Customs Law. Therefore, a temporary importation bond in the amount of \$25,297.12 was placed with the Customs Department to secure the duty at risk, and upon completion of the job all the equipment was re-exported between December 1992 and January 1993.

The Speaker: That concludes Question Time for this morning. We proceed to the Government Business. Bills. First Readings. Suspension of Standing Order 46.

The Honourable Minister for Agriculture, Environment, Communications and Works.

SUSPENSION OF STANDING ORDER S (Standing Order 46)

Hon. John B. McLean: Madam Speaker, I move the suspension of Standing Order 46 so that we may take the First Reading on the Telephone (Amendment) (Emergency Telecommunications) Bill, 1996, and the National Pensions Bill, 1996.

The Speaker: The question is that Standing Order 46 be suspended to allow the two Bills as stated by the Honourable Minister be dealt with today.

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

AYES.

The Speaker: The Ayes have it. The Standing Order is accordingly suspended.

First Readings.

FIRST READINGS

TELEPHONE (AMENDMENT) (EMERGENCY TELECOMMUNICATIONS) BILL, 1996.

Clerk: The Telephone (Amendment) (Emergency Telecommunications) Bill, 1996.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

NATIONAL PENSIONS BILL, 1996.

Clerk: The National Pensions Bill, 1996.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

Second Readings.

SECOND READINGS

TELEPHONE (AMENDMENT) (EMERGENCY TELECOMMUNICATIONS) BILL, 1996

Clerk: The Telephone (Amendment) (Emergency Telecommunications) Bill, 1996.

The Speaker: The Honourable Minister for Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker.

I beg to move a Bill for a Law to Provide for a Telecommunication System to enable the public to communicate urgently with the Emergency Services.

This Bill fulfils Government's commitment to provide an Enhanced 9-1-1 Emergency Communications System for the Islands. It establishes the service and empowers the Minister responsible for the telephone service for the time being, to give directions to the company which provides the islands' telephone service that will define the service to be provided. It also requires the Government to provide equipment and personnel to receive the emergency calls and to operate the command and control facilities that govern the dispatch of the emergency services' vehicles.

This Bill is a short one. It was necessary for us to bring the 9-1-1 system on line as our target date, as I have said in the House, is in September. All things have been going well and we feel that we will reach the target date as planned.

I feel it will be a service for this country that has been long overdue, and a service which in the future may help to save lives. I ask Members and Ministers to offer their support to this Bill.

The Speaker: The question is that a Bill entitled the Telephone (Amendment) (Emergency Telecommunications) Bill, 1996, be given a Second Reading. The motion is open for debate.

Honourable Minister for Education and Planning.

Hon. Truman M. Boddin: Madam Speaker, I fully support this Bill and I commend the Honourable Minister for Agriculture, Environment, Communications and Works.

Lives cannot be valued in money, and if one life is saved by this system, then the money was well spent. For many years we have needed the 9-1-1 system. In the event of an emergency we do not know whose loved one's life might be in jeopardy, either in a fire or a car accident or some other type of emergency. This is money well spent.

I know the system is a class one system and when it is fully in place I am sure it will save lives. I fully support the Honourable Minister for taking this bold step in bringing it.

The Speaker: If there is no further debate, I do not know if the Honourable Minister has anything further to add.

Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker. Just to thank all Members and Ministers for their silent consent to the Bill and to the Honourable Minister for Education and Planning for his remarks.

The Speaker: The question is that a Bill entitled the Telephone (Amendment) (Emergency Telecommunications) Bill, 1996, be given a Second Reading.

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

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given a Second Reading.

AGREED:THE TELEPHONE (AMENDMENT) (EMERGENCY TELECOMMUNICATIONS) BILL, 1996, GIVEN A SECOND READING.

The Speaker: Second Readings continuing.

THE NATIONAL PENSIONS BILLS

Clerk: The National Pensions Bill.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddin: Madam Speaker, in the light of the absence of the Honourable Minister for Community Development, I ask that we suspend the Standing Orders to take the Committee on the other Bills until I can ascertain the position in relation to the Pensions Bill.

I did speak to the Honourable Minister over the weekend at an official function and at the time I did not expect we would have moved so quickly this morning. If I could be given an opportunity to telephone him to see whether I need to move this further down on the Order Paper and put other business on.... Thank you.

The Speaker: I think we can defer the Second Reading of this Bill and go into Committee on the other Bills.

The House will now go into Committee to consider various Bills.

COMMITTEE ON BILLS

(10.28 a.m.)

The Chairman: The House is in Committee and will be dealing, first of all, with the Legal Practitioners (Amendment) Bill, 1996.

LEGAL PRACTITIONERS (AMENDMENT) BILL, 1996

Clerk: Clause 1 Short title.

Clause 2 Amendment to the Legal Practitioners Law, 1995 (Revision).

The Chairman: The question is that clauses 1 and 2 do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

CLAUSES 1 AND 2 PASSED.

Clerk: A Bill for a Law to Amend the Legal Practitioners Law, 1995 (Revision).

The Chairman: The question is that the title do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it. The title is accordingly passed.

(b) in the case of a woman is married to a man."

AGREED: TITLE PASSED.

THE PENSIONS (AMENDMENT) BILL, 1996

The Chairman: The next Bill is the Pensions (Amendment) Bill, 1996

The Clerk will read the clauses.

Clerk: Clause 1 Short title.
Clause 2 Amendment to section 2 of the principal Law.

The Chairman: There is an amendment that will be proposed by the Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, in accordance with the provisions of Standing Order 52(1) and (2), I give notice that I intend to move that the Memorandum of Objects and Reasons be amended in the first paragraph, subparagraph (c) by deleting the full stop (.) and substituting a semicolon (;), and by inserting thereafter the word "and"; and secondly by inserting a new subparagraph after (c) which reads: "(d) by providing for the payment of pensions to group employees."

The second amendment is to clause 2. I propose that clause 2 be deleted and the following clause substituted: "Clause 2 section of the Pensions Bill, 1995 (Revision) in this Law referred to as the principal Law is amended by-

- (a) in the definition of "contributor" by inserting the words "or a group employee" after the word "terms";
- (b) by inserting in the appropriate alphabetical order the following definition: "group employee" means a person employed by the Government on a temporary basis and paid at an hourly rate;
- (c) in the definition of "pensionable service" by inserting immediately after paragraph (b) the words "and" and the following new paragraph- "(c) employment as a group employee";
- (d) by inserting the following new definition in its appropriate alphabetical order-

"spouse" means a man or woman who

- (a) in the case of a man is married to a woman; and

The Chairman: The notes made by the Honourable Third Official Member concern the Memorandum of Objects and Reasons which, in the final analysis, is not part of the Bill when it has become Law. This should be made just for information at some future date.

The question now is that clause 2 be deleted and the following substituted therefore. I think all Members have been supplied with a copy of the substitution. The question is that clause 2 be deleted and substituted with what is set out in your paper. Do all Members have a copy of the proposed amendment?

The motion is open for debate. The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Madam Chairman, I would just like to say that I congratulate the Mover of this amendment. I would like to say that it is timely. As a matter of fact I would say that it should have been here a long time ago, but good comes to those who wait. My view is that the group employees in the Public Works Department or any other department who have slaved for the country for many years, no doubt under some tough circumstances in the sun on a daily basis... it is only fair that their contribution to the Government service be taken as any other civil servant. This will bring them in line to receive benefits. So I am grateful for it.

The Chairman: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, as I said during the Second Reading of the Bill, as you and Honourable Members are aware, during the 1940s through 1970s group employees were considered as part of Government's temporary work force. Currently, however, group employees are employed on a full-time basis and have often completed long years of service. The current Pensions Law only allows for group employees to receive 3/4 the pension which a pensionable officer would receive, thus there is a need for changing the concept of the group employee, in particular the pensionable benefits to them.

As I mentioned, I think in an answer to a Parliamentary question in this House, the assessment of past service cost or pensions liability by Wyatt as at the 1st January, 1993, indicated that the liability then was approximately \$66 million (without projection). With projection it reached \$99 million. The difference being when we say, "without projection" if the Government had closed down the service on the 1st of January, 1993, that would have been the liability in order to make pensionable payments to all current civil servants also those persons who are on pension. Taking into account those persons who are continuing in the service, such as myself, the assumption is made that we will qualify for full

pension. That is the investment that needs to be in place in order to provide for pensionable benefits.

What this means is that by widening the benefits as we are now doing, and have done for female officers' spouses and their dependants, that liability will have to be reassessed. So we can expect that when we have a further actuarial assessment it will not only take into account the additional liability that would have accrued since the 1st January, 1993, to date, but the provisions as if these benefits were in place from the beginning of the employment of the officers who are now affected, such as group employees and pensionable officers.

This is a matter that we will have to consider. Although it is quite welcome, I want to point out to Honourable Members that all of these factors will extend the liability that we are thinking of initially, as advised on the 1st of January as being \$66 million and \$99 million.

The Chairman: Is there any further debate? If not I shall put the question that the amendment be made to clause 2. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it. The amendment is passed.

AGREED: AMENDMENT TO CLAUSE 2 PASSED.

The Chairman: I shall put the question that clauses 1 and 2 as amended stand part of the Bill. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it. Accordingly clauses 1 and 2 as amended are passed.

AGREED: CLAUSES 1 AND 2 AS AMENDED PASSED.

Clerk: Clause 3 Amendment of section 10 of the principal Law.

Clause 4 Amendment of section 15(1) of the principal Law.

Clause 5 Amendment of section 17 of the principal Law.

Clause 6 Amendment of section 21(b) of the principal Law.

Clause 7 Amendment of section 22 of the principal Law.

Clause 8 Repeal of section 26 of the principal Law and substitution.

Clause 9 Repeal of section 27 of the principal Law and substitution.

Clause 10 Repeal of section 28 of the principal Law.

Clause 11 Amendment of section 29 of the principal Law.

Clause 12 Amendment of First Schedule of the principal Law.

The Chairman: The question is that clauses 3 through 12 do stand part of the Bill. The motion is open for debate.

The Honourable Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Chairman. I would just like to ask the Honourable Member if he has any idea how many individuals make up the group employee establishment?

The Chairman: Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, I do not have the exact numbers, but I should point out that they are now entitled to 3/4 of the eligible pension. So it is just the differential to be added.

The Chairman: The Member for North Side.

Mrs. Edna M. Moyle: I would just like to ask the Honourable Member if there has been any consideration given to always using the masculine gender in these amendments, seeing that we have both male and female civil servants who are always referred to as 'him'?

In section 9(2), I think we need to change the words "dies before 10 July, 1980", to the words "died before 10 July, 1980."

Hon. George A. McCarthy: Madam Chairman, in terms of the reference to gender, it is not a choice by the Portfolio of Finance and Development. This is how it has been drafted by the Legal Draftsman. However, I could probably ask for the assistance of my Honourable colleague, the Attorney General, to deal with this matter.

The Chairman: The Honourable Second Official Member.

Hon. Richard H. Coles: Thank you, Madam Chairman.

The reason why the masculine gender is used in all Government Bills is because the Interpretation Law states that where the masculine gender is used it also includes the feminine gender. There is no interpretation if it were used the other way around. So it is in conformity with the Interpretation Law and in conformity with established practise for drafting of Bills.

The Chairman: If there is no other debate, I shall put the question that clauses 3 through 12 do stand part of the Bill. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it. Accordingly clauses 3 through 12 passed.

AGREED: CLAUSES 3 THROUGH 12 PASSED.

Clerk: A Bill for a Law to Amend the Pensions Law, 1995 (Revision).

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

AYES.

The Chairman: The Ayes have it. The title passed.

AGREED: TITLE PASSED.

The Chairman: The next Bill is the Fire Brigade Bill, 1996.

THE FIRE BRIGADE (AMENDMENT) BILL, 1996

Clerk: Clause 1 Short title and commencement.
 Clause 2 Amendment of section 2 of the Fire Brigade Law, 1995 (Revision).
 Clause 3 Amendment of section 5 of the principal Law.
 Clause 4 Amendment of section 7 of the principal Law.
 Clause 5 Amendment of section 8 of the principal Law.
 Clause 6 Amendment of section 9 of the principal Law.
 Clause 7 Repeal of section 11 of the principal Law.
 Clause 8 Amendment of section 15 of the principal Law.
 Clause 9 Amendment of section 16 of the principal Law.

The Chairman: The question is that clauses 1 through 9 do stand part of the Bill. The motion is open for debate.

If there is no debate, I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSES 1 THROUGH 9 PASSED.

Clerk: A Bill for a Law to Amend the Fire Brigade Law, 1995 (Revision).

The Chairman: The question is that the Title do stand part of the Bill. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it. The Title passed.

AGREED: TITLE PASSED.

The Chairman: The next Bill is the Loan (Capital Projects) Bill, 1996.

LOAN (CAPITAL PROJECTS) BILL, 1996

Clerk: Clause 1 Short title.
 Clause 2 Power to borrow
 Clause 3 Appropriation of Loan to specified purposes.
 Clause 4 Principal and interest of loan.

The Chairman: The question is that clauses 1 through 4 do stand part of the Bill. The motion is open for debate.

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

AYES.

The Chairman: The Ayes have it. Clauses 1 through 4 passed.

AGREED: CLAUSES 1 THROUGH 4 PASSED.

Clerk: A Bill for a Law to Authorise the Borrowing of up to \$10,685,268 for the Financing of Specified Capital Projects.

The Chairman: The question is that the title do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it. The Title is accordingly passed.

AGREED: TITLE PASSED.

The Chairman: The next Bill is the Loan (Capital Project) 1993, (Amendment) Bill, 1996.

LOAN (CAPITAL PROJECTS) 1993 (AMENDMENT) BILL, 1996

Clerk: Clause 1 Short title.
 Clause 2 Amendment of power to borrow.

The Chairman: The question is that clauses 1 and 2 do stand part of the Bill. The motion is open for debate.

If there is no debate, I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSES 1 AND 2 PASSED.

Clerk: A Bill for a Law to Amend the Loan (Capital Projects) Law, 1993.

The Chairman: The question is that the title do stand part of the Bill.

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

The Chairman: The Ayes have it.

AGREED: TITLE PASSED.

The Chairman: The next Bill is the Telephone (Amendment) (Emergency Telecommunications), 1996.

THE TELEPHONE (AMENDMENT) (EMERGENCY TELECOMMUNICATIONS) BILL, 1996

Clerk: Clause 1 Short title.

Clause 2 Definitions.

Clause 3 Amendment of section 2.

Clause 4 Provision of emergency telecommunications system.

Clause 5 Directions to undertakers.

Clause 6 Provision of equipment etc.

Clause 7 Offences.

Clause 8 Regulations.

Clause 9 Unauthorised use of emergency telephone number.

Clause 10 Exemption from liability.

Clause 11 Transitional.

The Chairman: The question is that clauses 1 through 11 do stand part of the Bill. The motion is open for debate.

If there is no debate, I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSES 1 THROUGH 11 PASSED.

Clerk: A Bill for a Law to Provide for a Telecommunications System to Enable the Public to Communicate Urgently with the Emergency Services.

The Chairman: The question is that the Title do stand part of the Bill. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED: TITLE PASSED.

The Chairman: The question is that the Committee do now report. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it. That concludes proceedings in Committee on Bill. The House will resume.

AGREED: COMMITTEE TO REPORT TO THE HOUSE.

HOUSE RESUMED - 10.50 a.m.

REPORT ON BILLS

The Speaker: Please be seated. Reports on Bills.

LEGAL PRACTITIONERS (AMENDMENT) BILL, 1996

Clerk: The Legal Practitioners (Amendment) Bill, 1996.

The Speaker: The Honourable Second Official Member.

Hon. Richard H. Coles: Madam Speaker, I beg to report that a Bill entitled a Bill for a Law to Amend the Legal Practitioners Law (1995 Revision) was considered by a Committee of the whole House and passed without amendment.

The Speaker: The Bill is accordingly set down for Third Reading.

PENSIONS (AMENDMENT) BILL, 1996

Clerk: The Pensions (Amendment) Bill, 1996.

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, I am to report that a Bill entitled the Pensions (Amendment) Bill, 1996, was considered by a Committee of the whole House and passed with amendments.

The Speaker: The Bill is accordingly set down for Third Reading.

FIRE BRIGADE (AMENDMENT) BILL, 1996

Clerk: The Fire Brigade (Amendment) Bill, 1996.

The Speaker: The Honourable Minister for Tourism, Aviation and Commerce.

Hon. Thomas C. Jefferson: Madam Speaker, I beg to report that a Bill entitled the Fire Brigade (Amendment) Bill, 1996, was considered by a Committee of the whole House and passed without amendment.

The Speaker: The Bill is accordingly set down for Third Reading.

LOAN (CAPITAL PROJECTS) BILL, 1996

Clerk: The Loan (Capital Projects) Bill, 1996.

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, I am to report that a Bill entitled the Loan (Capital Projects) Bill, 1996, was considered by a Committee of the whole House and passed without amendment.

The Speaker: The Bill is accordingly set down for Third Reading.

LOAN (CAPITAL PROJECTS) 1993, (AMENDMENT) BILL, 1996

Clerk: The Loan (Capital Projects) 1993, (Amendment) Bill, 1996.

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, I am to report that a Bill entitled the Loan (Capital Projects) 1993, (Amendment) Bill, 1996, was considered by a Committee of the whole House and passed without amendment.

The Speaker: The Bill is accordingly set down for Third Reading.

TELEPHONE (AMENDMENT) (EMERGENCY TELECOMMUNICATIONS) BILL, 1996

Clerk: The Telephone (Amendment) (Emergency Telecommunications) Bill, 1996.

The Speaker: The Honourable Minister for Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker. I have to report that the Telephone (Amendment) (Emergency Telecommunications) Bill, 1996, was considered by a Committee of the whole and passed without amendment.

The Speaker: The Bill is accordingly set down for Third Reading. Third Readings.

THIRD READINGS**LEGAL PRACTITIONERS (AMENDMENT) BILL, 1996**

Clerk: The Legal Practitioners (Amendment) Bill, 1996.

The Speaker: The Honourable Second Official Member.

Hon. Richard H. Coles: Thank you, Madam Speaker. I beg to move that a Bill entitled the Legal Practitioners (Amendment) Law, 1996, be given a third reading and passed.

The Speaker: The question is that a Bill entitled the Legal Practitioners (Amendment) Bill, 1996, be given and third reading and passed.

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

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given and Third Reading and passed.

AGREED: THE LEGAL PRACTITIONER (AMENDMENT) BILL, 1996 GIVEN A THIRD READING AND PASSED.

PENSIONS (AMENDMENT) BILL, 1996

Clerk: The Pensions (Amendment) Bill, 1996.

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, I beg to move that a Bill entitled the Pensions (Amendment) Bill, 1996, be given a third reading and passed.

The Speaker: The question is that a Bill entitled the Pensions (Amendment) Bill, 1996, be given a third reading and passed.

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

AYES.

The Speaker: The Ayes have it.

AGREED: THE PENSIONS (AMENDMENT) BILL, 1996 GIVEN A THIRD READING AND PASSED.

FIRE BRIGADE (AMENDMENT) BILL, 1996

Clerk: The Fire Brigade (Amendment) Bill, 1996.

The Speaker: The Honourable Minister for Tourism, Aviation and Commerce.

Hon. Thomas C. Jefferson: Madam Speaker, I move the third reading of a Bill entitled the Fire Brigade (Amendment) Bill, 1996.

The Speaker: The question is that a Bill entitled the Fire Brigade (Amendment) Bill, 1996 be given a third reading and passed. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. Accordingly, the Bill has been given a Third Reading and passed.

AGREED: THE FIRE BRIGADE (AMENDMENT) BILL, 1996 GIVEN A THIRD READING AND PASSED.

LOAN (CAPITAL PROJECTS) BILL, 1996

Clerk: The Loan (Capital Projects) Bill, 1996.

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, I beg to move that a Bill entitled the Loan (Capital Projects) Bill, 1996, be given a third reading and passed.

The Speaker: The question is that that a Bill entitled the Loan (Capital Projects) Bill, 1996, be given a third reading and passed. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it.

AGREED: THE LOAN (CAPITAL PROJECTS) BILL, 1996 GIVEN A THIRD READING AND PASSED.

LOAN (CAPITAL PROJECTS) 1993, (AMENDMENT) BILL, 1996

Clerk: The Loan (Capital Projects) 1993, (Amendment) Bill, 1996.

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, I beg to move that a Bill entitled the Loan (capital Projects) 1993 (Amendment) Bill, 1996, be given a third reading and passed.

The Speaker: I shall put the question that a Bill entitled the Loan (capital Projects) 1993 (Amendment) Bill, 1996, be given a third reading and passed. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it.

Mrs. Berna L. Thompson Murphy: Madam Speaker.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: I would like to call for a division of the House, please.

The Speaker: I did not hear any "Noes." You cannot get a division unless there are noes. I did not hear any noes to that Bill.

AGREED: THE LOAN (CAPITAL PROJECTS) 1993 (AMENDMENT) BILL, 1996, GIVEN A THIRD READING AND PASSED.

The Speaker: Suspension of Standing Order 47.

The Honourable Minister for Communications and Works.

**SUSPENSION OF STANDING ORDER
(Standing Order 47)**

Hon. John B. McLean: Madam Speaker, I move the suspension of Standing Order 47 so that the Bill entitled the Telephone (Amendment) (Emergency Telecommunications) Bill, 1996, can be given a third reading.

The Speaker: The question is that Standing Order 47 be suspended in order that a Bill entitled the Telephone (Amendment) (Emergency Telecommunications) Bill, 1996, be given a third reading and passed.

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

AYES.

The Speaker: The Ayes have it. Standing Order 47 is accordingly suspended.

AGREED: STANDING ORDER 47 SUSPENDED.

THIRD READING

TELEPHONE (AMENDMENT) (EMERGENCY TELECOMMUNICATIONS) BILL, 1996

Clerk: The Telephone (Amendment) (Emergency Telecommunications) Bill, 1996.

The Speaker: The Honourable Minister for Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker.

I beg to move that the Telephone (Amendment) (Emergency Telecommunications) Bill, 1996, be given a third reading and passed.

The Speaker: The question is that a Bill entitled the Telephone (Amendment) (Emergency Telecommunications) Bill, 1996, be given a third reading and passed.

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

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been passed.

AGREED: THE TELEPHONE (AMENDMENT) (EMERGENCY TELECOMMUNICATIONS) BILL, 1996 GIVEN A THIRD READING AND PASSED.

The Speaker: I think we can now go back to item two, Presentation of Papers and Reports, the report of the Housing Development Corporation for the year ended 30th June, 1995.

PRESENTATION OF PAPERS AND REPORTS

REPORT OF THE HOUSING DEVELOPMENT CORPORATION FOR THE YEAR ENDED 30TH JUNE, 1995

(Deferred)

Hon. W. McKeeva Bush: Madam Speaker. I am not ready for the presentation of this report this morning, nor for the National Pensions Bill. I think that will be ready on Wednesday morning.

The Speaker: Would you move that motion then, please, that the Pensions Bill be taken on Wednesday because it is down on the Order Paper.

Hon. W. McKeeva Bush: Madam Speaker, I better not move the motion unless I definitely have to, because one never knows, I might not get it here Wednesday morning. But I can move that it be deferred.

The Speaker: That would be simpler.

Hon. W. McKeeva Bush: Madam Speaker, I move that the Report of the Housing Development Corporation for the year ended 30th June, 1995, and the National Pensions Bill, 1996, be deferred.

The Speaker: The question is that the Report of the Housing Development Corporation for the year ended 30th June, 1995, together with the National Pensions Bill, 1996, be deferred. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it.

AGREED: THE REPORT OF THE HOUSING DEVELOPMENT CORPORATION FOR THE YEAR ENDED 30TH JUNE, 1995, AND THE NATIONAL PENSIONS BILL, 1996, DEFERRED.

The Speaker: Continuing with Other Business. Private Member's Motion No. 3/96 - debate on the Report of the Public Accounts Committee and the Auditor General's Report on the Audited Accounts of the Cayman Islands' Government for the year ended 31st December, 1994 and the Government Minute which relates to it.

Honourable Minister for Education and Planning.

OTHER BUSINESS PRIVATE MEMBERS' MOTIONS

PRIVATE MEMBER'S MOTION NO. 3/96 -

DEBATE ON THE REPORT OF THE PUBLIC ACCOUNTS COMMITTEE AND THE AUDITOR GENERAL'S REPORT ON THE AUDITED ACCOUNTS OF THE CAYMAN ISLANDS' GOVERNMENT FOR THE YEAR ENDED 31ST DECEMBER, 1994 AND THE GOVERNMENT MINUTE WHICH RELATES TO IT

(Continuation of debate thereon)

Hon. Truman M. Bodden: Madam Speaker, I would like to finish dealing with the 1994 Report of the Auditor General at page 28, which deals with the valuation and purchase negotiations.

It is clear from the valuation of the two vendors, in one of them the land was purchased for 0.4% less than what the Lands Officer's valuation together with his 20% tolerance was valued at, and the second one was 10.8% less, in relation to the land that was purchased at Spotts for sports facilities. In fact, in relation to the land at Spotts the Auditor General at page 29, paragraph 1.52 stated this: "**Vendor financing is being provided on \$941,700 at 3% (per annum) over 5 years, compared to an estimated 9% (per annum) cost of capital for funds borrowed by Government direct for the balances payable. Taking into account the financing concession, the Lands Officer has concluded that the prices to be paid for these properties are within the 20% tolerance permitted in the official guidelines. I concur with this conclusion.**" That says two things: Despite all the rhetoric that we have heard in relation to the land purchased at Spotts for the sports facilities, this states abundantly clearly that the valuations and the price that was paid for it were within the official guidelines. The Auditor General having audited the Government's accounts stated unequivocally and clearly: "**I concur with this conclusion.**"

So there can be no doubt that regardless of what may be said about the purchase of the lands at Spotts they are within the official guidelines, they have been properly purchased, and the Auditor General has confirmed it as well as the Lands Officer who dealt with the matter. I hope that with such a clear and unequivocal statement such as that, the Opposition will go on to

something else where they may be a little bit more successful at putting forward the truth.

This also deals with the question of assessments of royalty fees on page 30. I am happy to say (as was stated in a previous meeting of the Legislative Assembly) that all royalty fees for dredging which are owed to Government have been paid. There are no royalty fees outstanding. Hopefully, that is the end of that as well, because there were allegations made in relation to this. But all monies owed for dredging have been fully paid, therefore, nothing is outstanding on this.

The Second Elected Member for Cayman Brac and Little Cayman states that dredging royalties should be more. I think the reference was perhaps to \$2.00 per cubic yard, if I remember correctly. When we look at the statement made on page 31 of the Auditor General's Report we find that the lowest royalty was that of SafeHaven and the North Sound Marl Pit of 25¢ per cubic yard. That amount for SafeHaven of \$1.4 million is the single largest amount in this table for dredging. I think it is probably the largest amount of dredged fill, perhaps other than when the South

Sound was dredged up many years ago. I understand 2,000,000 cubic yards of sand was dredged from inside the reef including the black grass that was there at the time. I do not know what the royalty would have been on that.

These two amounts listed as (a) and (b) in the table were undoubtedly the lowest amounts. After that, the little that this Government did was at the rate of 50¢ (twice the amount). So if anything has to be levelled at any Government regarding dredging, then the Second Elected Member for Cayman Brac and Little Cayman can only be referring to the past two Governments - his colleagues Messrs. Miller and Pierson. In fact, I am sure that Mr. Pierson would have been the Member in charge, at least during his four years in Executive Council, and he would have obviously been supported by Mr. Miller.

In the 'In lieu of agreement' column there is a reference to "Clear and fill 10 acres of Crown property in addition." When we look back, we really see that this SafeHaven project was actually dredging Government's land in the North Sound (that is, the seabed) which was in fact being put onto Government's leased land. I would like to tie the two of these together to show the overall picture that this specific dredging operation was linked to Government's property, which was also leased property, but going along with this dredging agreement were several matters that affected both dredging and the Government's property, which made this specific dredging agreement different from the other agreements in the Report.

Over the period from 1988 to the present, we find that at page 22 of the 1992 Auditor General's Report referring to the matter of SafeHaven, and I would like to quote three different sentences in which it stated in relation to the extension to the lease of the property that this

dredging was being used for, I quote: "**The minimum current rental value calculated was US\$277,000 per annum and was based on 277 acres with a capital value of US\$10,000/acre and a required rental rate of return of 10% per annum. This would have generated a total income stream of US\$27.4 million over the life of the 99 year lease before applying the recommended 10 yearly rent reviews.**" It goes on to say: "**No formal valuation of this was ever carried out but the Lands Officer has advised that this would have been an extremely complex...**" It goes on to say: "**Negotiations were concluded within two hours and a premium of US\$940,800 was agreed to be recommended to both sets of principals by the representatives.**" It goes on further to say: "**Executive Council rejected the proposal and directed that the premium should be US\$2 million.**" So tied in with the dredging rights was the extension of some 40 years of the lease at SafeHaven.

What was recommended should be paid was \$27.4 million, and only \$2 million were paid, as we know, \$1 million down, and \$1 million over ten years without any interest. We know that at least \$15 million was lost to the Government. The Member in charge at the time was Mr. Linford Pierson.

We are not talking about thousands of dollars now, we are talking about millions on top of millions of dollars. What is very important is that this states that no formal valuation of this was ever carried out by the Lands and Survey Officers. So any chance of that fill from the 277 acres (which is where the fill from SafeHaven under the 1994 Auditor General's Report went) would have been lost to future generations for another 99 years because that is what the lease was extended to.

Looking at that we realise that the Government lost \$20-odd million, perhaps in the area of \$18 million when the adjustment for the period of time was carried out. We know as was stated in the report, that those negotiations were done by the Minister himself within two hours. So that large amount (\$20-odd million) was given away in a two-hour negotiation, which I understand was in a restaurant with Mr. Pierson.

Going on to look at this matter. There was, and has been for some time, the levelling of the fact that purchase of property under a time agreement seems not to be understood by certain Members of this House. It is fully legal to purchase land on a time agreement. You can purchase land over five years, ten years, whatever time you wish. You are not liable to pay Stamp Duty on that purchase until the time when the transfer is actually made. You are permitted to assign the property, I think perhaps twice. So the fact that some of this property was purchased on a time agreement when the value was much less, when the value is more later on is nothing unusual. This is something that Caymanians have done throughout the years.

Therefore, that a transfer is taken five or seven years later at a larger amount (because remember the transfer

has to go through at the value of the property at the time of transfer, not the value of the property at the time the agreement was signed) we will always find differences between the stamp duty valuation and also the sale valuation if someone has owned it five or seven years. So I think that is very easily differentiated and set out.

There was an attempt to say property was transferred one day for the value stated together with the assessed value and the following day there was a transfer (the following week) and because of the differences in values they should have been the same. Well, that is obviously not correct. The consideration that goes into the transfer is a consideration of the agreement from five or seven years before, but the assessment is done on the true market value of the property. I hope that is now made clear. I referred to the specific sections earlier in this House and I do not propose to go back into the Law on this, other than to say that as the Auditor General accepted, and as the valuator stated, the transfers of the properties at Spotts for the sports facility was fully within the official guidelines. That is the legal position.

There is also a section in the 1994 Report relating to 'Debt Exchanges'. I would like to add that in relation to the SafeHaven project and during the previous Government's time, the exchanged land in Governor's Harbour that was public open-space for property at Frank Sound (inland) which in my view had considerably less value.... That, once again, related to the SafeHaven project. Mr. Linford Pierson was the Minister responsible at the time.

So it is nothing new to exchange fill. This looks like it might have related to... value of land I see over on page 36. Indeed, the transfer seems to relate perhaps only to that and one other piece of property.

The environmental issues. In fact, the Government has gone far beyond what the Opposition Members call for in their motion. We have stopped all dredging in the North Sound, other than where there were legally binding contracts for a very small amount compared to millions and millions of cubic yards that had been dredged in the past. We believe in a proper balance between ecology, the environment and development progress. We have endeavoured to achieve that. It is a fact, though, that marl is necessary for the building of roads mainly, and for other development in the islands. Therefore, it must either come from the sea or from the land. It can only be from two areas in the land, either from marl pits that are dug or from the quarry. So this, once again, has to be balanced with the ecology.

I see there is reference to the Wickstead Report of 1975 at page 37. To the best of my knowledge they recommended that 12,000,000 cubic yards could be dredged from the North Sound. They marked the area, which is largely the area where the present company has the right to take the 700,000 cubic yards from. The total amount of dredging rights given (but obviously has not all been dredged) is 4,521,263 cubic yards. So this Government's and previous Governments' are probably 1/3 of what he recommended.

There have been other very important recommendations in relation to these areas. Mr. Cousteau for example, recommended that certain areas which are dived should remain fallow. I think he recommended two years.

The Wickstead Report recommended that protection should be given rather than having large boats churning up a lot of turbidity. I do not have that report before me, but all that I would like to say which is relevant to this, is that perhaps 1/3 has been dredged up. Government's position on this is very clear; we have stopped the dredging in the North Sound with the exception of the 700,000, and I think, 120,000 cubic yards, of previous dredging rights. It would not have been right to breach them.

Turning now to look at the Statutory Authorities, specifically at the Water Authority. Set out at page 53 is a section that deals with an amount involved with funds contributed by private individuals. This sets out a total of some \$694,000 in that area. This relates back to several things that arose not very long ago, and I would like to read from last year's report on this, which relates to contributions by private individuals for capital works that were previously carried out. On page 34 of the 1993 Report, two things are stated which relate to capital works and private persons. On page 35 it states: "**It was drawn to the Audit Office's attention that in one case payment of an invoice for -\$17,400 was waived. This invoice relates to the cost of installing the water distribution system in a new sub-division. The developer paid \$3,750 for materials by way of a deposit and an invoice for \$17,400 was issued in July 1993 for the cost of installation by the contractor, Petroservicios Ltd. This invoice was subsequently cancelled in October 1993 and the cost was financed from the Authority's long-term borrowing.**" That we know was the sub-division of which the Fourth Elected Member for George Town was a shareholder. In fairness to him, I understand it has subsequently been paid. But this report shows that in 1993 some \$33,139 (at page 53 of the 1994 report) were outstanding. This is a sizeable sum. Also in 1993, at page 53 in the amounts under the heading, we find that in the previous Auditor General's Report it was stated on page 34 under the heading 'Under-Billing of Water Charges: "**The results of this exercise confirmed under-billing of \$2,634 in two accounts, plus under-billing of \$1,880 on one other account. These irregularities occurred during the period August 1991 to January 1993, and were attributable to the deliberate manipulation of water meter readings. This practice appears to have ceased completely with effect from January 1993.**"

We know, Madam Speaker, that that billing was for Mr. Linford Pierson. Whether he has repaid what the Auditor General has referred to as "a deliberate manipulation of water meter readings", I am not sure. That makes up a substantial amount of page 53 of the present Report which is set out in 1993, at \$33,139.

I guess, taking this joke generally and lightly, and in looking at the two areas of \$17,400 and the water bill reductions, I would say that waterbirds of one feather, flock together.

I would like to go on to look at some other areas of this and to look specifically at the area which relates to schools. This is set out at page 54 (1994 Report) and onwards dealing with 'Pre-School Grants'. This sets out several pages of problems that were involved in dealing with pre-school grants. I would like to begin by stating that these are dealt with purely by the Department. They have nothing to do with me, they have nothing to do with the Ministry of Education; it is the Department of Education. I would like to go into these briefly. These pre-school grants arose as a result, as was mentioned by the Auditor General, of the fact that the last Government abolished pre-schools (or what we call reception classes) at the Government Schools. It meant that some 205 children who were in Reception Classes, and who would subsequently come in, were put out of the Government school system.

The position then arose under the policy of the then member for Education, Mr. Benson Ebanks, where Government stated that pre-school children would not be in any worse of a position than they had been before. He then started funding a grant that would go to the pre-school children who went into private schools. This, I have continued. Unfortunately, I guess for the country, but fortunately for those young children, we have a situation where this year probably half of a million dollars will be spent on pre-schools. These are grants that come under the same heading as any other grant, the same as we give to private schools for their recurrent amount.

I know it was stated that a grant to a pre-school is different from a grant to a private school, high school or to ICCI for example (which we now give, but in the past had not been given). But there is no difference between a grant to a pre-school and a grant to any other private school. It is the same thing, it is a grant. The only difference is that considerably more has had to be given to the private pre-schools than at present. In the past we gave even less to the private schools. It is a difference in that area of \$300 per month coming out to some \$2,700 per year, compared to in the area of about \$277.00 per student that we give to the primary and the high schools. So this is a very high grant.

At present all of the pre-schools have been registered. Which is different from when the last Government abolished pre-schools. This was basically the brain-child of the then Principal Secretary for Education, Mr. Oswell Rankine, who is now, as we know, a member of Team Cayman. The decision, as was stated here on page 54, was to totally remove from the Education system, not just the children who would be going into primary schools, but those in the Lighthouse School. That decision was perhaps one of the harshest decisions that this country has ever seen. I do not believe the Minister then, nor the Principal Secretary foresaw the conse-

quences of this when they made that decision. It was a ruthless decision in an effort to extend the school term by one year. They took the classrooms and used them to add another year in primary schools.

I have gone a long way in having to fund this as fully as I can, and now in some of the schools we are seeing that we are getting some pre-schools back into the Government system. There is no intention to put Government pre-schools where private pre-schools can now cope with the situation, for example, in most of George Town and partly in West Bay.

The decision caused great concern because children going into Primary went in with different degrees of skills. There were children going in who had not gone to a pre-school and they were at one level. There were children who went to pre-school for two or three years and who went in at a different level. So it created problems within the Government system because children were coming into Primary I at different levels.

In defence of the Education Department - as mentioned this has nothing to do with my Ministry or me - but the Department has been under a substantial amount of staff shortage. Not the least to say, our Chief Education Officer has been ill for some time. What the Auditor General has asked in this Report that should be done relating to the checking of persons who apply for pre-school grants is something that (as I stated in the Government Minute) would take a person who is qualified in Credit Management. On that specific area I can speak with considerable authority because perhaps within the entire Government system, I am the only person who holds a Fellowship from the Institute of Credit Management, and have held it for some time.

It is not possible to expect a clerk, normally a junior clerk, to look at an application that is dealing with about 30 different things, including salary (one of the comments in this was that they should have seen that someone had put the expenses too much higher than they should have been) to look and assess these things. It is not possible for a clerk without the necessary qualifications to do it.

What I would strongly recommend, if the Auditor General requires such high standards, is that the Honourable Financial Secretary employ a Fellow of the Institute of Credit Management and put him within his present Debt Recovery Department (which he is setting up, and which is good) and ask him to do the credit assessment for these matters. I can say no more, than to say that I believe that my department did everything it possibly could to deal with what I think was a disastrous decision when the pre-schoolers, including the Lighthouse School's reception classes were cut and 205 children were put out of the schools with nowhere to go.

As I have gone from primary school to primary school, and discussed the results over the last few years for each term/quarter, I sit with all the staff members. I make it a point to do that, so I understand what their problems are in areas other than matters relating to staff matters or conditions of service. Matters of conditions of

service, appointment of civil servants and teachers, transferring of teachers, termination of teachers, has nothing to do with me. I would like to make that abundantly clear. That is reserved to the Governor under the Constitution, and it is not legally possible, indeed, it is not legally right, and it is not right from a policy point of view that I should interfere in any matters relating to staff, be they matters that are going on now in some of the primary schools, or in any other area of the Civil Service. So when I sit with staff in the schools, I make it abundantly clear to them that I can discuss all matters except matters relating to staff, salaries, and conditions of employment because legally I cannot do so.

One of the things that has come up from time to time is the different ranges of ability the children who are coming into the school system display. Some have gone to pre-school longer than others, and some have not gone to pre-school at all. I assume that the new procedures set down in the area of pre-schools would have been run by the Accountant or Auditor General or some other department that would have approved these. Notwithstanding that, this grant and the private school grant and the other grant which is for scholarships are (of which I am happy to say, 37 students were granted scholarships this year and it is the highest amount, I am sure, that has ever been granted) all the same. They are going to assist students in dealing with their education.

While on that subject, I am sure that Honourable Members will be happy to hear that the first prize for the Royal Commonwealth Essay Competition was won by Angella Davis of the Red Bay Primary School. That is really a feather in our cap to have this young lady coming first in the entire Commonwealth, which comprises some 350,000,000 people in over 50 countries of the world, in her age group. So we can be justly proud that the funds that are going to pre-school grants, and grants generally, are going to a good cause because the performance is there. No one can say that the Government schools are not the best in the country and that they are not representing the best results that can be achieved.

I am therefore happy to state that I will have to continue the pre-school grants for some considerable time despite the costs, if we expect the results that we have gotten in the schools to continue.

The Speaker: Would you take a suspension at this time?

Hon. Truman M. Bodden: Yes, Ma'am. Thank you.

The Speaker: Proceedings will be suspended for half an hour.

PROCEEDING SUSPENDED AT 11.45 AM

PROCEEDINGS RESUMED AT 12.42 PM

The Speaker: Please be seated.

The Honourable Minister for Education and Planning continuing.

Hon. Truman M. Bodden: Thank you, Madam Speaker.

Going now to look at roads in the Report of the Auditor General and the statements that are made on pages 6 and 7 about the different projects (29 projects) that are referred to there and continue on page 8. These projects came about because of the fact that many of our roads lacked maintenance, and lacked the repairs that were needed. It is not something that has come about over the last few years of this Government's life. We have to remember that for the previous eight years practically no new roads were put in and no maintenance was done.

I would like to refer back to the Auditor General's Report of 1991 on page 24, in which he said this: "**No precise figure is currently available but it is estimated by PWD that it is likely that as much as \$25 million over the next 5 to 10 years will be required to be spent on roads maintenance representing over 100 miles of road that will need urgent attention. Therefore, based on a ten-year period the Government would have to spend an average of \$2.5 million per year which is nearly 400% more per year than was actually spent in 1991.**" These failures go back mainly over the eight years prior to 1992. It is clear that no major road improvements have been done.

I would just like to read one other area from that report. At page 25 the Auditor General stated this: "**The last major road improvement project undertaken by the Government, was in the mid 1970s with work extending into the 1980s. This involved the reconstruction and resurfacing of much of Grand Cayman's roads.**" That government was the Government of the Honourable John McLean and the late Honourable Jim Bodden, the late Honourable Haig Bodden and the Honourable Capt. Charles Kirkconnell. The Auditor General has very clearly stated that since we finished that extensive road repair in the mid-1980s no major road repairs were carried out. So if the Opposition or the Alliances or whatever want to ask what is being done?, my question is: Why was nothing done on roads during those eight years that they were in? There can be no doubt if in 1991 the cost was \$25 million to bring the roads up to date, there is no way in a matter of three short years - most of which were spent paying off the last Government's debts - that we can be expected to perform miracles. My question is simply this: Why was nothing done for eight years? These are not my words, these are the words of the Auditor General.

I am reminded that during the late Jim Bodden's, the late Haig Bodden's and Mr. John McLean's and my period - those eight years from 1976 to 1984 - we had a programme in which we did a certain amount of hot-mix every year, a certain amount of maintenance. But what happened to us during this period of Government was that there was so much maintenance to be done that

that was basically all we could do, recapping roads before they got too bad.

So the Auditor General, as he refers to the different project (and some criticism is in this report on page 7) has to bear in mind that the Road Programme did not exist for eight years before we took over. At this stage my question is: Why was it not done during those eight years? There was really no maintenance. In fact, they stated in 1991 that the pure maintenance itself would have required 400 per cent more revenue than had been put in there.

We have exceeded the \$2.5 million per annum that is stated in the report, and we have recapped a lot of roads. But there are a lot of roads that remain to be done. Therefore, I think that the attempt here to deal with some of the smaller roads, private roads that are set out in the 1994 Report (and these are roads that were not just in a specific district. They range from the little roads in West Bay through the Roy Bodden Road in Bodden Town through to private roads up in North Side). It is a full range of roads...

Mr. Roy Bodden: Madam Speaker, on a point of order.

The Speaker: May I hear the point of order, First Elected Member for Bodden Town?

POINT OF ORDER

(Misleading)

Mr. Roy Bodden: Madam Speaker, the Honourable Minister insists on misleading the House. There is no road in Bodden Town known as the "Roy Bodden Road."

The Speaker: Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, what I will do is pull the references to that road which have been stated in this House many times. I will undertake to bring them back here. I do not have them at my fingertips now.

As Madam Speaker knows, many times there have been references to that road and both from documents laid on the Table of this House - I laid one of the documents ...

The Speaker: I think what the Elected Member for Bodden Town is implying is that while the name may have been given to a particular road as the Roy Bodden Road, it is certainly not his road. I think that is the point you are making, First Elected Member?

Mr. Roy Bodden: Madam Speaker, that is correct.

The Speaker: I think that is the point he has made, whether a road has been given a particular name does not mean that it is his own private road. In the context in

which you have been talking about private roads, that is the point.

Hon. Truman M. Bodden: Madam Speaker, I will accept that. I really did not mean that it is his road. It is a road that leads to that Member's house. For whatever reason it has been referred to as such. I do not need to refer to that anymore. The cost I should mention of doing that road which leads to the Honourable Member's house was around \$0.5 million.

The roads referred to in this, therefore, in my view, this Government has done a lot. We have not only repaved many miles of road, we have repaired a lot. We have funds now which the lady Member for George Town and I have striven to get. It has been supported by the National Team and this will do a considerable amount of more roads. It is some \$2.6 or \$2.7 million. We hope that the reference in the Auditor General's Report to the proposed Harquail bypass we will see the start of that route.

The Second Elected Member for George Town has put in a lot of effort to deal with the different roads. I know that that Honourable Member, like the lady Member, has been into many of the nooks and crannies, so to speak, of George Town and has identified roads in need of repair.

I guess the point that I am making is that if it is necessary to repair the roads for purposes of getting emergency vehicles such as ambulances, fire trucks, etcetera, into those roads, then it is Government's duty to repair them whether the road is gazetted or not gazetted, or whether it is public or private. It is a matter of a person's life, that cannot be represented in terms of money. So I would ask the Auditor General in his report where he has referred to these, to bear in mind that this Government found as big a road mess as we found a financial mess in the country in 1992.

The only other comment that I would like to make on roads is that I hope in the future when the utility companies (all four of them) cut trenches, they will properly deal with filling them back because most of our roads have deteriorated in certain areas. I understand from the Honourable Minister that from now on the proper method is in place to deal with them.

Going on to deal with the Health Services Authority on pages 44, 45, 46, 47 and onwards. This is one in which there has been a lot of criticism by the Auditor General, and the criticism is levelled prior to December of 1992. Indeed, on page 44, paragraph 2.5, he said: "**Law 14 of 1991 requires the Authority to maintain proper accounts of its financial affairs which are to be audited annually by the Auditor General by the following 30th June. The financial statement audits for 1992 and 1993 should therefore have been completed by 30th June 1993 and 30th June, 1994, respectively. In December 1991 I appointed Coopers & Lybrand (Chartered Accountants) to carry out these audits on my behalf.**" (1994 Report). He goes on talking about 1992 and 1993 Reports.

If we look back at what has caused those accounts to be a problem, for example the 1993 audit which would have dealt with the 1992 accounts referred to in the 1994 audit, says this: **"The audit examination was hampered by a general lack of documentation..."**, and to show how this chain of lack of documentation and lost documentation has stretched through the full thread of the last Government. If we look at page 31 of the 1994 Report of the Auditor General, Footnote 1 says, **"File for SafeHaven was archived and was not made available to the Audit Office."** Every time we come upon a situation relating to what the then Member for Communications and Works, Mr. Linford Pierson, and the then Member for Health, Mr. Ezzard Miller, did we find that the documentation is gone. It is a story of the missing files. The truth, therefore, will never be known.

We look further at the 1992 Report and we find, for example that at page 48 of the 1993 Auditor General's Report, paragraph 65 says: **"In only one of seven consultancies (Software supply), was the Board of the Health Services Authority provided with a summary of costs and a proposed work plan, as part of the Authority's computerisation project."** Without these details it is no wonder the Auditor General in 1994 is stating that he cannot get a completion of the audit of the Health Services Authority. To make things even worse it is stated on page 49 of the same report: **"However, during the Authority's two years existence it did not develop or institute any formal financial regulations to ensure the regular and proper conduct of its business by management and employees. So far as can be established, none of the consultancies examined was advertised or tendered either within Cayman Islands or overseas."** So out of all the consultants in the report that the Auditor General is commenting on, none ever went out to tender. This has got to go badly against the last Government. We may never know what the true picture is. It is like the Water Authority's cheques for \$700,000 or \$800,000 which are under consideration by the Auditor General, and was set out in one of his reports.

The Speaker: Honourable Minister do you still wish to adjourn at one o'clock?

Hon. Truman M. Bodden: May I just have a minute, please? (Pause)

Madam Speaker, perhaps we can go on for another 15 or 20 minutes, until I reach a breaking point. If that is okay with Members.

The Speaker: Certainly.

Hon. Truman M. Bodden: We also find that in those accounts, it stated on page 52 the 1993 Report that: **"Most consultancy agreements made no provision for termination by either party."** So these were unlimited contracts that were subject to the accounts. Further

on that same page we see: **"When the project manager's services were terminated following the cancellation of the Dr. Hortor Memorial Hospital the Authority was left with a \$30,000 rent liability for the unexpired portion of the leased accommodation."** What an astounding set of affairs! We know that while there have been areas of criticism levelled at this Government, what the Auditor General has churned up in the Health Services Authority is mind-boggling. It is beyond comprehension how much went on and where the money went.

We know it was set out in those accounts that the contract on the new hospital, which we will be dealing with pages 46 and 47, which set out the reasons for qualification of the financial statements.... when we read that we really see what a horrifying situation it was. At paragraph 2.9 on page 46 of the 1994 Report, the Auditor General says: **"I have qualified the Authority's financial statements on nine grounds. These are:**

(1) inability to determine the value of furniture and equipment vested with the Authority at 1 January 1,992 (and the dates here are quite important) but not valued, and whether the values attributable to vested furniture and equipment are reasonable;".

We know that a large part of the equipment for the hospital was purchased before the ground was even broken and that it had been housed in very expensive leased premises up at Ropers warehouse or somewhere there. Notwithstanding that, the Auditor General held that both the vesting and the value were impossible to determine.

Paragraph 2.9.2 of the Auditor General's Report states: **"...inability to conclude whether supplies vested at 1 January 1992 were fairly valued and unreliability of year end valuations produced by the inventory system, which did not become operational until September 1992;"**. This is the previous Government's period of tenure. So he is stating that there is unreliability of the valuations set out there.

It gets worse, paragraph 2.9.3: **"Inability to conclude whether hospital supplies were fairly valued at the year ends;"**. In other words, nothing in the line of equipment and furniture was properly valued. Therefore the Auditor General had to qualify these statements because he did not know whether the money that was spent on this furniture and equipment was there or not. There is no way of checking the fair value of the property.

Paragraph 2.9.4: **"...uncertainty to the accuracy of costs totalling \$1,068,000 incurred by the Cayman Islands Government reported for design fees and part of site preparation expenses for the Dr Hortor Hospital project, which were vested with the Authority and which have been written off subsequently as an extraordinary item;"**. One Million and Sixty-eight thousand, four hundred and thirty dollars, that there is uncertainty as to the accuracy of the cost. Those members out there from the previous Government should

really run and hide when they come trying to criticise this Government. When we look at the extent of what the Auditor General has set out here, it was basically a financial wrecking of the country's funds.

Paragraph 2.9.5: **"...failure to maintain a reliable fixed asset register (FAR) and inability to determine whether all furniture and equipment included in the financial statements existed at Balance Sheet dates;"**. What that is saying is that somebody cooked the books because what they put in the balance sheet could not be verified for accuracy. Where did the missing files go; the SafeHaven files, the files that the Auditor General could not find here or furniture and the missing equipment? This is what this is stating and this is a serious matter, I submit. We are not just dealing with a few hundred thousand dollars, Madam Speaker, we know that in paragraph 2.9.4 alone it is over \$1 million.

"Inability to determine whether it is appropriate to include the partially filled site of the Dr Hortor Hospital in the financial statements at cost (\$1,721,381) or whether a write down in carrying value is required;". What that is saying is that the hospital site itself appears to be overvalued. Should it be left in at that amount or should it be put in at a lower value? Paragraph 2.9.8 is dealing with \$1,700,000 for the site. Then I hear criticism of a five-acre site that is coming in at \$800,000 for the site alone and which is not in the middle of a swamp as this was.

At paragraph 2.9.8 of the Auditor General's Report he said that he has qualified the Authority's financial statements on nine grounds, and the eighth one is the: **"...inability to determine the amount of provision, if any, which should be included in the financial statements in respect of the claim for damages for breach of contract filed by Hurlstone Construction Limited (HCL), following termination of the Dr Hortor Memorial Hospital project;"**. We know (and I am merely stating facts that have been public now) that the contract was signed on the 17th of November, 1992, one day before the General Elections of this country. We know that a \$1 million loan was given out which was not included in that contract. So if the last Government had been doing things in the proper way, they would not have done matters such as signing the largest contract during their term of four years on the day before the elections if everything had been in order. So this contact and these accounts were wrong from the beginning to the end.

Before I go on any further within that, much has been said about this hospital whether it is at the right place or the wrong place, whether money is being spent here and there. But when we look back at some of the *Hansards* of the House that relate to this (and they are within these accounts for the 1992 period), on the 11th of March, 1992, we find a statement made to this effect: **"I have believed for a long time that the present hospital can serve us for sometime yet, and that steps should be taken to improve certain areas of it to a certain stan-**

dard so that the physical plant can be in a position to better do the job for which it was intended. This was the understanding of this House as was presented by the Member in 1990...", meaning Mr. Miller. That comes from the *Hansard*. It is a statement by the Second Elected Member for Cayman Brac and Little Cayman.

There is no doubt that at the time that this was going on, the Second Elected Member for Cayman Brac and the First Elected Member for Bodden Town, as was set out in the National Team's mandate, made it clear that they were against the hospital going on the site in the swamp.

POINT OF ORDER

(Misleading)

Mr. Gilbert A. McLean: On a point of order, Madam Speaker.

The Speaker: May I hear the point of order, Second Elected Member for Cayman Brac and Little Cayman?

Mr. Gilbert A. McLean: I, at no time in my life, had any dealings with the formulation of a National Team's manifesto setting out anything against the hospital in it.

The Speaker: Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, I did not refer to that Honourable Member. With respect, I referred to the First Elected Member for Bodden Town. He had nothing to do with our manifesto.

The Speaker: Fine, as long as you have made that clear.

Hon. Truman M. Bodden: The Second Elected Member for Cayman Brac and Little Cayman had nothing to do with our manifesto. The First Elected Member for Bodden Town was involved in our manifesto where it said that we would prefer to do what we are doing now - which is building the hospital where it is.

Just a couple of other brief areas. Also on the 11th March, 1992, there is this statement: **"Madam Speaker, this situation is one where I think the Government has failed and the Member has failed to do what he should have done in the time since this was first given until now. I think it is largely due to the desire to build a new hospital since the time that the need for the present hospital was identified."** That statement is by the Second Elected Member for Cayman Brac. It states clearly that Mr. Ezzard Miller had failed and he stated that in clear and unequivocal terms in relation to the hospital.

Lastly on this point... (pause) Madam Speaker, times change and regardless, I guess, of what the feelings for the Second Elected Member for Cayman Brac towards

the then Member for Health, Mr. Ezzard, were at that time, on the 11th of March, 1992, he made a statement that the Government and that Member, Mr. Ezzard Miller, had failed. That statement is very clear.

Whether the cost and the uncertainty of those costs are correct or not, on the 29th of November, 1991 (and this is the last quote that I have), the Second Elected Member for Bodden Town stated: (Member laughing). I keep thinking of the Second Elected Member for Cayman Brac because he is now running in Bodden Town. I refer to that. I am sorry.

The Second Elected Member for Cayman Brac stated: **"We are talking about expenditure and there is no one except the Member [meaning Mr. Ezzard] that has said that \$16 million can build that hospital and fix that site. What I have read in the newspapers from one of the engineers and so on, was that the mud was not any deeper than what it was somewhere down around Lime Tree Bay. He is fixing his posture. Nobody is going to nail him down when it takes \$10 million to fill the site."**

I would just like to stress that, the Second Elected Member for Cayman Brac and Little Cayman felt at the time that along with the \$16 million to build the hospital, it would have taken \$10 million to fill the site. He goes on to say: **"Well, I told you it would not take any more than that, and after all they had a dredge down there."** That is what we need to look at.

It goes on to say: **"I personally believe that the MRCU should be ideally moved from there, take that to the area of the land that the Government owns in the swamp on the Dyke Road. Ideally, that is the business it is in, mosquito, research and control. Knock it down and use that large area there, that the people of this country has know forever as a hospital and build a new hospital there in phases. I cannot support the idea of entering headlong into three major expenses at one time in that particular area."**

No doubt, Madam Speaker, even if the posture has changed, those words of the Second Elected Member for Cayman Brac and Little Cayman were not only very hard against the Member and the Government, but it stated to do exactly what the present Minister for Health is doing. He is knocking down the MRCU building. He is going to build it on that site. I do not understand how that Honourable Member, whom I have known for so long, could so radically change his views and say that the hospital should be built in the swamp after putting in \$10 million of fill.

Perhaps even more interesting than that is the fact that in 1992 an Opinion Poll was carried out in George Town which showed that 54 per cent said "No" to building the hospital in the swamp. That was Mr. Linford Pierson's campaign, and it is a memo that I have here, yet he voted for the hospital to go into the swamp. My question at this stage is, if he did not do what the people asked at that time, what guarantee do they have that he will now represent them and carry out their wishes?

Even though the Government knew it was wrong to put the hospital there they went head long into it and decided to put it in the middle of the swamp which both myself and the Second Elected Member for Cayman Brac and Little Cayman realised would take \$10 million to fill.

Going back to the Auditor General's Report of 1994, on page 47 we see at paragraph 2.9.9 that one of the qualifications is: **"...incomplete recording of revenue and billing to patients for services provided; and inability to quantify the full extent of errors and omissions and their impact on revenue recognised in the statements of revenue, gross receivable at the Balance Sheet dates and the amount of provisions for bad debts."** Once again, a failure to have complete records. Incomplete records, whether these were merely missing or not filed, I do not know; but they were incomplete in these different areas.

The criticism that is levelled at the 1991 and 1992 Government which would have been the previous Government or those years of that Government, I think are well-founded criticisms. They are still trying at the late date in 1994 when this came in - I do not know what has happened by now - to find out what went on at the hospital with all the contracts and the building of the hospital in the swamp during the last Government's period. There was no accountability to the public. We know that millions on top of millions of dollars, as is set out in this, were basically thrown away. Contracts, as stated here, nine of them were given out and never went to the Public Tenders Committee. We know land was bought, the value of which is now in doubt - \$1.7 million for nothing but swamp. They have the nerve, the Alliance and others, to come here and try to talk about the purchasing of properties for schools which is following the proper procedures.

Questions that I see keep popping up in the newspaper, such as, What have I done in George Town? There is one thing for sure, I have not thrown away or given away the public's money to the extent that the last Government has done. I have been accountable for what is here. I guess to throw a bit of humour in it, neither have I taken a gun and shot it in the air within a public place. So this on the Health Services Authority is pin-pointing the 1992 stage of the accounts.

The people in George Town can be assured that our present Minister for Health (whom I support fully) has a hard task because he came in mid-term, he will deal with what he is doing in the proper way as he has always done in the past. He has my full support. They will not find files missing, money missing, property undervalued, and contracts signed on the day before the election. That, in itself, should have put a red flag to what went on in the last Government. The desperation to squeeze that last contract in before the election is set out by the Auditor General.

I believe there are two more headings under this, but I believe we have probably come to a time when per-

haps I should ask if we could adjourn. I will finish very quickly on this topic when I return.

The Speaker: Certainly, Honourable Minister.
Would you move the adjournment accordingly?

ADJOURNMENT

Hon. Truman M. Bodden: Yes, Madam Speaker.
I move the adjournment of this Honourable House until Wednesday morning at 10 o'clock.

The Speaker: The question is that the House do now adjourn until Wednesday morning at 10 o'clock. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until Wednesday morning at 10 o'clock.

AT 1.22 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM, WEDNESDAY, 10TH JULY, 1996.

**EDITED
WEDNESDAY
10 JULY, 1996
10.10 AM**

The Speaker: I will ask the Honourable Minister responsible for Tourism, Aviation and Commerce to say prayers.

PRAYERS

Hon. Thomas C. Jefferson: Let us Pray.

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

Bless our Sovereign Lady Queen Elizabeth II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated.

Order. Proceedings are resumed. The administration of Affirmation to Mr. W. F. Donovan Ebanks, MBE, to be the Temporary Honourable First Official Member.

**ADMINISTRATION OF OATHS
OR AFFIRMATIONS**

(Oath of Affirmation Administered by the Clerk)

Mr. Donovan Ebanks

Hon. Donovan Ebanks: I, Donovan Ebanks, do solemnly and sincerely affirm and declare that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II her heirs and successors according to law.

The Speaker: I welcome you to the House, Honourable Member, and invite you to take your seat.

Presentation of Papers and Reports. The Report of the Standing Business Committee of meetings held on the 8th and 16th of November, 1995. The Honourable Minister responsible for Education and Planning.

**PRESENTATION OF PAPERS
AND REPORTS**

REPORT OF THE STANDING BUSINESS COMMITTEE

(Meetings held 8th and 16th November, 1995)

Hon. Truman M. Bodden: I beg to lay on the Table of this Honourable House the Report of the Standing Business Committee for the meetings held 8th and 16th of November, 1995.

The Speaker: So ordered.

Do you wish to speak on it Honourable Minister?

Hon. Truman M. Bodden: No, Madam Speaker.

The Speaker: The Report of the Standing Business Committee for meetings held on the 14th February and 1st March, 1996. The Honourable Minister responsible for Education and Planning.

REPORT OF THE STANDING BUSINESS COMMITTEE

(Meetings held 14th February and 1st March, 1996)

Hon. Truman M. Bodden: I beg to lay on the Table of this Honourable House the Report of the Standing Business Committee for the meetings held 14th February and 1st March, 1996.

The Speaker: So ordered.

The Report of the Standing Finance Committee for a meeting held on the 28th of September, 1995.

The Honourable Third Official Member responsible for Finance and Development.

REPORT OF THE STANDING FINANCE COMMITTEE

(Meeting held on 28th September 1995)

Hon. George A. McCarthy: I beg to lay on the Table of this Honourable House, the Report of the Standing Finance Committee for a meeting held on the 28th of September, 1995.

The Speaker: So ordered. The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: In accordance with the provision of Standing Order 73(5), the Standing Finance Committee met to consider a paper from the Financial Secretary. The Committee held one meeting on the 28th of September, 1995, and considered and approved request from various departments of Government for a total of \$14,007,197.

Other matters considered and ratified by the Committee were current expenditure virements between different subheads for a total of \$308,645; variation of funds between the same classification under capital expenditure for a total of \$683,728; capital expenditure between different classifications for a total of \$684,700; creation, deletion and regrading of posts for the various positions within the Civil Service for the period January through June 1995; and request for Crown Land grant, the details of which are as follows: "An application for a Crown Land grant was made to Government by a local law firm on behalf of the beneficiaries of the Estate of Aamon Ebanks (deceased) in respect of Block 9A, Parcel 240.

"The Director of Lands and Survey was directed to research the application based on information provided and the Cadastral records maintained by the department. Accordingly, the investigation showed that there is no documentary or corroboratory evidence adduced or in the Cadastral Adjudication records which substantiates this claim. Other properties in the area were returned to land owners who made claims who are in the same position as this claimant. The Director of Lands and Survey also noted that Block 9A, Parcel 240 is in an environmentally sensitive zone and contains a portion of Salt Water Pond.

"Based on the findings of Lands and Survey the matter was referred to Executive Council. Executive Council advised that the matter should be referred to Finance Committee for its decision.

"Accordingly, an application was made by the local law firm and the decision was approved for the property to be granted to the beneficiaries of the estate of Aamon Ebanks."

There was a request for a variation in a land purchase agreement. The details are as follows: "At a Finance Committee Meeting held on October 19th, 1994, Finance Committee approved supplementary funding for the Government to purchase Block 101C, Parcel 48 from Mr. Selbourne Lazzari. The property is adjacent to the Cayman Brac High School and the swimming pool which is situated on the property is currently being maintained at \$6,000 per annum. The property is approximately 2.30 acres, and is valued at US\$250,000.

"Under the terms of the proposed purchase agreement a deposit of CI\$60,000 would be required with the balance payable, interest free, over a period of three years subject to the continuation of the existing maintenance agreement. That is the maintenance agreement for the payment of \$6,000 per annum for the maintenance. Continuing, in conjunction with the acquisition of Mr. Lazzari's property, the Government purchased an additional Parcel 9, Block 101C; parcel 20 for CI\$18,000, for the purpose of giving road frontage to the property that is being purchased from Mr. Lazzari.

"Mr. Lazzari (the seller) is requesting that the maintenance cost of \$6,000 per annum be increased by \$3,600 per annum (Total \$9,600 per annum) to carry out the maintenance duties."

Finance Committee's approval was granted for the sum to be increased in the maintenance fee from \$6,000 to a total of \$9,600 per annum, as requested.

Item number 16 was a request for assistance to the Cayman Council of the United Church of Jamaica and the Cayman Islands. It reads: "At a Meeting of Executive Council held on March 28th, 1995, Executive Council considered an application by the United Church of Jamaica and the Cayman Islands for assistance in opening a further school to complement the existing Cayman Preparatory School. This is supported on the basis that secondary-aged children cost approximately \$5,000 per student per year to educate, thus it would cost Government \$1,500,000 to provide places for 300 secondary aged students.

"The total project cost for Cayman Preparatory is estimated at \$1.5 million. Executive Council advised that approval should be given for: a) the existing loan of approximately \$250,000 owed by the United Church of Jamaica and the Cayman Islands to be written off over a period of three years; b) a Government guarantee for a loan of \$500,000 from a local bank, which will be paid off as a grant in three installments plus interest, over a period of three years; and "Government should ensure that such an agreement is binding and on condition that:- 1. Every effort should be made to ensure that fee levels are kept within reasonable amounts so that Caymanian parents are able to afford to choose private education if this is their desire; 2. Changes to the approved curriculum, including but not limited to the addition and deletion of subjects, should be submitted to the Education Council for approval at least three months in advance.

"Executive Council ordered that the request should be presented to Finance Committee."

Finance Committee granted approval for the existing loan of \$250,000 to be written off over a period of three years, and that the guarantee of \$.5 million be issued. We are aware that at a subsequent meeting of Finance Committee this guarantee was subsequently rescinded.

There was also a request for a guarantee to be issued to Triple 'C' School. This was approved for a sum of \$750,000 to be issued to a local bank and paid off in three equal installments. There was also an approval for unauthorised expenditure, totalling \$36,564. This was expenditure that was not covered during the financial year 1993, and in order for the Supplementary Appropriation Bill to be tabled in this Honourable House in accordance with the Public and Finance Audit Law, it was necessary to seek this approval which was accordingly granted.

The Committee agrees that this report be the report of the Standing Finance Committee in respect of its meeting held on 28th September, 1995.

The Speaker: The Third and Final Report of the Standing Select Committee (of the whole House) to review the Sunday Trading Law.

The Honourable Second Official Member responsible for Legal Administration.

THIRD AND FINAL REPORT OF THE STANDING SELECT COMMITTEE (OF THE WHOLE HOUSE) TO REVIEW THE SUNDAY TRADING LAW (CAP. 161)

Hon. Richard H. Coles: Thank you, Madam Speaker.

I beg to lay on the Table of this Honourable House the Third and Final Report of the Standing Select Committee (of the whole House) to review the Sunday Trading Law (Cap. 161).

The Speaker: So ordered.

The Honourable Second Official Member responsible for Legal Administration.

Hon. Richard H. Coles: The Standing Select Committee of the whole House established to review the Sunday Trading Law was appointed by the Legislative Assembly on the 12th of September, 1994, upon the passing of Government Motion No. 7/94.

The Motion, moved by the Hon. Thomas C. Jefferson, the Honourable Minister responsible for the Portfolio of Tourism, Environment and Planning, Leader of Government Business, read: "**Government Motion No. 7/94 Appointment of Standing Select Committee to Review the Sunday Trading Law.**"

WHEREAS the Sunday Trading Law, enacted in 1960, provides that Sunday trading is prohibited in the Cayman Islands except as prescribed in the Schedule of the Law or by Orders made in Executive Council from time to time;

AND WHEREAS the provisions of the said Law could not envisage the present trend of development within the Islands;

AND WHEREAS there have been various concerns expressed and it has been implied that the Law requires revision;

BE IT NOW THEREFORE RESOLVED THAT, in accordance with the provisions of Standing Order 76, this Honourable House appoints a Standing Select Committee of the whole House to review the provisions of the said Law and in so doing that the Committee should solicit the views of the general public and, based on the input received, table a Report in this Honourable House of its findings and recommendations."

The Motion set the Committee to comprise all Members of the Legislative Assembly, and I was appointed by yourself, Madam Speaker, to be the Chairman. The Committee met on six occasions and the Minutes and notes of proceedings are attached to this report, together with the Committee's first and second interim reports which have already been laid on the Table of this Honourable House.

In accordance with the terms of reference of the Motion, in 1994 the Committee invited the public to participate by way of written representation and oral hearings. We received 24 representations, three of which were petitions representing over 472 signatures. In addition, the Committee also heard from 14 persons on the 25th of May and the 29th of June.

The Committee agreed that its mandate was to table a report of its findings and recommendations based upon the input received from the general public - that, clearly, was that the overwhelming majority wanted no change to the Law.

With no representations having been received from any commercial undertaking the Committee noted that it only had one side of the picture with which to make its recommendation, and that it was very clear that the majority wanted to maintain the status quo. In accordance with the

Committee's mandate, and the representations made to it, the Committee recommends that the Sunday Trading Law remain unchanged, and that it be enforced. That is the recommendation of the Committee and the Standing Select Committee agrees that this report be the Third and Final Report of the Committee to this Honourable House.

The recommendation is that the Law remain unchanged and that it be enforced. It was the Committee's wish that it be enforced strictly and fairly. It is my intention, following that recommendation and having laid this report on the Honourable Table today, that there should be a reasonable period of grace for commercial undertakings to ensure that their premises are in conformity with the Sunday Trading Law, and that after that reasonable period, and upon notification which I envisage being made in the press so that everyone is fully

aware of it, the police will be asked to strictly and fairly enforce the Law.

Thank you, Madam Speaker.

The Speaker: Perhaps, Honourable Second Official Member, you may wish to move under Standing Order 72(5) that the report of the Committee be adopted.

Hon. Richard H. Coles: I am happy to move under Standing Order 72(5) that the Report of the Committee be adopted by the House.

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

AYES.

The Speaker: The Ayes have it. The Committee's Report is accordingly adopted.

AGREED. THE REPORT OF THE STANDING SELECT COMMITTEE ADOPTED.

The Speaker: Third and Final Report of the Select Committee (of the whole House) to Review the Gambling Law.

The Honourable Second Official Member responsible for Legal Administration.

THIRD AND FINAL REPORT OF THE SELECT COMMITTEE (OF THE WHOLE HOUSE) TO REVIEW THE GAMBLING LAW

Hon. Richard H. Coles: I beg to lay on the Table of this Honourable House the Third and Final Report of the Select Committee (of the whole House) to Review the Gambling Law.

The Speaker: So ordered.

The Honourable Second Official Member responsible for Legal Administration.

Hon. Richard H. Coles: Madam Speaker, the Select Committee appointed to review the Gambling Law was established by the Legislative Assembly on the 29th day of September, 1994. The Motion proposing the review, Private Member's Motion No. 25/94, was rejected by a majority of the House, but upon a Motion moved by myself in accor-

dance with the provision of Standing Order 24(9), it was agreed that the matter be referred to a Select Committee. The Committee's terms of reference were set out in Private Member's Motion No. 25/94, entitled, Amendment to the Gambling Law, which reads: "**WHEREAS large numbers of charitable and non-profit organisations, associations, clubs and fraternities engage in raffles as a means of fund-raising;**

AND WHEREAS the Gambling Law, Law 6 of 1958, makes a raffle for any purpose illegal;

BE IT NOW THEREFORE RESOLVED THAT the Gambling Law be amended to allow charitable and non-profit organisations, associations, clubs and fraternities, registered as such with Government, to raffle for the purpose of fund-raising."

The Committee membership comprised all Honourable Members of the House, and it met on five separate occasions. Two interim reports were laid on the Table of this Honourable House, and the Minutes of proceedings and notes of discussion, together with the interim reports form a part of this Third and Final Report of the Committee.

The recommendation of the Committee: The resolve of Private Member's Motion No. 25/94 read that the Gambling Law be amended to allow charitable and non-profit organisations, associations, clubs and fraternities, registered as such with Government, to raffle for the purpose of fund-raising. However, the Committee was of the opinion that to accomplish this it would be more appropriate for a Charities Law to be drafted and provision made for the establishment of a charities register and for the accountability of funds and donations. The Committee therefore recommends to this Honourable House that a Charities Law be drafted and that provision be made for the establishment of a permanent charities register, and that all charitable and non-profit organisations, associations, clubs and fraternities, shall be registered and liable to maintain and present to the Registrar accounts of the funds raised.

The Committee agrees that this Third and Final Report be the report of the Committee to be laid on the Table of this Honourable House. I request that this report be adopted by the House under Standing Order 72(5).

The Speaker: The question is that the report of the Select Committee to Review the Gambling Law be adopted. I shall put the question. Those in favour please say Aye. Those against No.

AYES.

The Speaker: The Ayes have it.

AGREED. THE REPORT OF THE SELECT COMMITTEE ADOPTED.

The Speaker: I wish to congratulate the Chairman and Members of these two Committees which were appointed in 1994 for having completed the work of the Committee.

Thank you.

The Royal Cayman Islands Police Annual Report 1995. The Honourable Temporary First Official Member responsible for Internal and External Affairs.

**ROYAL CAYMAN ISLANDS POLICE ANNUAL REPORT
1995**

Hon. Donovan Ebanks: Thank you, Madam Speaker. I beg to Lay on the Table of this Honourable House the Annual Report for the year 1995 of the Royal Cayman Islands Police.

The Speaker: So ordered.

The Honourable First Official Member responsible for Internal and External Affairs.

Hon. Donovan Ebanks: I simply wish to commend the Commissioner and his staff for the thoroughness and quality of the Report. I certainly recommend it to Honourable Members and the general public as a source of information on the quality service that the RCIP delivers.

I feel confident that the Commissioner would welcome feedback particularly from the Honourable Members of this House, in respect to any additional information which they would like to see the report regularly provide.

Thank you, Madam Speaker.

The Speaker: The Annual Report of the Housing Development Corporation for year ending 30th June, 1995.

The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

ANNUAL REPORT OF THE HOUSING DEVELOPMENT CORPORATION FOR YEAR ENDING 30TH JUNE, 1995

Hon. W. McKeeva Bush: Thank you, Madam Speaker.

I beg to lay on the Table of this Honourable House the Annual Report of the Housing Development Corporation for the year ending 30th June, 1995.

The Speaker: So ordered.

The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Thank you, Madam Speaker.

I am pleased to table the Housing Development Corporation's Audited Financial Statements and Report for the Year Ended 30th June, 1995.

Members are aware that the Housing Development Corporation was experiencing difficulty in raising capital through its debenture offerings and this created a situation where the Corporation was unable to fund its lending activities. As the Government was not in a position to fund the Corporation's lending through budgetary support, it decided to tap the resources of the private sector.

Discussions between the Government and the local commercial banks led to the development of a scheme under which the banks would provide home mortgage financing for low- to middle income Caymanians on the strength of a Government Guarantee. In light of this, the Corporation was directed to suspend its lending activities in 1993. Thereafter, the Corporation continued to provide a service to its existing borrowers. In early 1995, the Government directed the Corporation to prepare a transfer scheme to effect the divestiture of the Corporation's mortgage loan portfolio by way of a private offering to eligible purchasers as defined under the enabling legislation which was passed in the Legislative Assembly on the 23rd September, 1995.

A public presentation was made to Housing Development Corporation's debenture subscribers to advise them of Government's decision, as well as to invite them and other eligible financial institutions to participate in the divestiture. Copies of an offering document, which provided detailed information on the Housing Development Corporation's mortgage portfolio, were made available to those institutions which indicated an interest in purchasing the Corporation's mortgage portfolio. In addition, the Housing Development Corporation made available its books, records and whatever information were requested in order to enable these institutions to satisfy themselves as to any representations made by the Corporation. After a bidding process was gone through, the Board of the Corporation recommended to the Government the acceptance of an offer from Cayman National Bank Ltd., a locally owned commercial bank. Approval was granted by Executive Council and the completion of the sale of the mortgage portfolio took place on the 3rd July, 1996.

I am pleased that a locally owned bank was the successful bidder of the Housing Development Corporation's mortgage portfolio. The mortgage loans were sold on the same terms and conditions as existed under the Housing Development Corporation. The borrowers will therefore continue to repay their loans at the same fixed rate of interest and over the same term as obtained with the Housing Development Corporation. The Housing Development Corporation's clients have been notified about the sale and they will be assisted by both the staff of the Corporation and Cayman National Bank to ensure a smooth transition. The proceeds from the sale of the Corporation's mortgage portfolio will be used to repay the subscribers to the Housing Development Corporation's 5% and 7 1/2% debenture offerings.

As at fiscal year end 1995, the Corporation's assets stood at CI\$4,311,845, a decrease of .9% over the figure for fiscal year end 1994. The Corporation realised a surplus of CI\$130,694 from operations in 1995, compared to CI\$122,779 in 1994 - an increase of 6.4%. This increase was due mainly to the reversal of the provision for loan losses in light of the proposed sale of the loan portfolio. The estimated loss provision of CI\$220,000 on the sale of the Corporation's mortgage loan portfolio was treated as an extraordinary item which resulted in an overall deficit of CI\$89,306. The significant decrease in Loans Receivable from CI\$2.9 million in 1994 to CI\$2.2 million in 1995 resulted largely from the retirement of a number of loans as well as the estimated discount of 10% of the carrying value of the loan portfolio as at the date of divestment.

On behalf of the Government of the Cayman Islands, I wish to express my sincere thanks and appreciation to the Chairman and members of the Board as well as the management and staff of the Housing Development Corporation, for their dedication and commitment to providing housing for low-to-middle income Caymanians. The affairs of the Corporation have been managed by its Board and management in a prudent and business-like manner to ensure that the Housing Development Corporation's financial commitments were always met without recourse to the Government's purse. I congratulate them on their good stewardship and once again thank them for their hard work and dedication. Thank you, Madam Speaker.

The Speaker: Questions to Honourable Members/Ministers. Question No. 103, standing in the name of the First Elected Member for Bodden Town.

QUESTIONS TO HONOURABLE MEMBERS/MINISTERS

QUESTION NO. 103

No. 103: Mr. Roy Bodden asked the Honourable Third Official Member responsible for Finance and Development to provide a breakdown of the number of contingency warrants issued from September, 1995 until May 1996.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: The total number of Contingency Warrants issued between September 1995 and May 1996 is 59. These Warrants total CI\$3,709,172. This total is broken down as follows: 28 Warrants were issued between September-December 1995 valued at \$2,169,734; 31 Warrants were issued between January- May 1996 valued at \$1,539,438.

SUPPLEMENTARY

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Can the Honourable Member say why this seemingly high number of warrants were issued rather than the more traditional route of getting the approval of Finance Committee?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: I think we should look at the aggregate value of the warrants in question. When we consider 28 warrants issued between September through December, at a value of \$2,169,734, taking an average we would find out that the amounts would not be large sums. If the Honourable Member will recall, there were meetings held of Finance Committee in September and December. The issuance of these warrants was to allow for the approval process as granted in the Public Finance and Audit Law for the Financial Secretary to exercise. There are always unforeseen requests put forward by controlling officers and there would have been varying circumstances that would have given rise for these requests and for these warrants to be issued.

The Speaker: The next question is No. 104, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 104

No. 104: Mr. Roy Bodden asked the Honourable Third Official Member responsible for Finance and Development what the Government's plans are regarding the funding of the contingent liability representing the Civil Service Pension.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: The Government has recognised the need to address the pensions liability, and accordingly, in 1993, engaged the services of Wyatt Company to carry out an actuarial review of Government's pension liability. The findings indicated that the liability, as at 1st January, 1993, was \$65 million with no projections and \$99.4 million with projections. Amongst the measures that have been put in place to address the issue of the pensions liability, the Government recently comprised a team of four senior Civil Servants to review the existing pension plan and to consult with Civil Servants to determine if they would rather remain under the Civil Service Pension Scheme or opt to be placed under the proposed National Pensions Plan. If the decision is taken to opt for the former, a further actuarial evaluation will be carried out prior to 1st January, 1997, to confirm the current liability and a decision taken at the earliest opportune time to agree on all requirements necessary for the setting up of a fully funded Civil Service Pension Plan.

SUPPLEMENTARY

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Can the Honourable Member say if there have been any thoughts or methods arrived at as to how this plan will be fully funded?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: It may be useful if I looked at the report for Wyatt which was tabled in this Honourable House during 1995.

In order to address the deficiency and to put in place a pension plan allowing for disbursements to be made as at 1st January, 1993, out of that plan, the recommendation was that there would need to be a contribution into the plan totalling approximately 24% of the then Civil Service salaries which amounted to \$8,789,000. In addition, there was a proposal that in order to cover the normal costs there would be a need to first contribute a sum of \$5,501,000. Therefore the annual contribution would be \$14,290,000.

In light of the decision that has been taken recently to amend the Pensions Law, and this was recently approved in this Honourable House, it would mean that these figures would be significantly increased. What needs to happen will require a concerted decision of Government and the Civil Service, the Management Council of the Civil Service Association and the Public Managers Association together with their respective members to sit and look at the extent of the liability, what the financial obligations of the Government will be to achieve a fully funded pension scheme and to agree on what procedures would be put in place to achieve this.

Presumably it would be over a period of 20 years as suggested by Wyatt, and we could be looking at a sum not less than, I would imagine, \$17 million per annum. That is just a crude guess.

As the Honourable Member will recognise, one of the amendments at this time is to allow for the Government's contribution element to be increased from 4% to 6% per annum, and also for the civil servants' contribution to remain at 4%. In 1994 it was felt that there should be a need for the Civil Service contribution to increase by a further 1%, but, notwithstanding these increases, they are to be regarded as interim measures because at the end of the day we will have to be in a position where whatever percentage is agreed upon this is what will be the contribution into the fund.

Thank you, Madam Speaker.

The Speaker: The next question is No. 105, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 105

No. 105: Mr. Roy Bodden asked the Honourable Third Official Member responsible for Finance and Development what the total loans and guarantees are for which the Cayman Islands Government is obligated.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: The Public debt as at 31st December, 1995, was \$33,241,189. Contingent liabilities as at 31st December, 1995, were \$101,790,680.

Self-financing loans which are reimbursed to Government by the Statutory Authorities were \$18,293,606 as at 31st December, 1995.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker. Could the Honourable Member say if he has a general idea of what the figure for the public debt is at present?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Thank you, Madam Speaker.

The public debt as at this morning would be in the region of \$33.3 million. But I am sure the Honourable Member is making reference to the loans that were recently approved. Those two Bills amount to \$12.7 million. When they are taken into account it will put the public debt position up to \$55.4 million. This takes into account the reduction that will be occurring in 1996 from repayments which will be in the region of \$6.8 million.

If we take \$33.3 million as at 1st January, 1996, less the \$6.8 million that will be repayments, and we add (assuming that we will be using up the full amount of the loans of \$12.7 million in 1996) that \$12.7, that will put the public debt position in the region of... In addition to the \$12.7 what should be included as well is the \$16.2 million which was approved during the budget. So when the \$16.2 million is added to the \$12.7 million recently approved, this gives a total of \$28.9 million.

That would put the position at \$55.4 million, but as I mentioned during the answer I gave to one of the Parliamentary Questions, it is unlikely that the full amount of the loans approved will be drawn down during the course of 1996. I should point out that it does not become public debt until the sums are drawn down.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

Of the \$16.16 million approved in the 1996 estimates, would the Honourable Member have any idea of how much of those approved funds have been drawn down by way of loans?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Against that \$16.2 million approximately \$7 million has been spent. But we have not drawn down any of the loan funds as yet, although we have the approval in place. We have been using the excess revenue that has been generated up to this point because we are attempting to minimise interest cost. It is only when the cash position is likely to be put into an adverse position will monies be drawn down.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

Could the Honourable Member say if any of the \$7 million that he referred to in his answer, is part and parcel of the payments being made to the contractors for the hospital project?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Yes, Madam Speaker.

The Speaker: That concludes Question Time for this morning. We now proceed to Government Business, Bills. Second readings.

GOVERNMENT BUSINESS

BILLS

SECOND READING

NATIONAL PENSIONS BILL, 1996

The Clerk: The National Pensions Bill, 1996.

The Speaker: The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: Thank you, Madam Speaker.

Today I believe that we can say that we have taken one giant step in the progress and betterment of the people of these islands. We bring to this House a National Pension

Bill which provides for the retirement benefits of the working people of this country.

When all is said and done, regardless of the complaints, regardless of the criticism, we have reached an important milestone in the development of this country - to provide pensions for the working people in their old age.

In September 1985 a Private Member's Motion was passed by the Legislative Assembly. That Motion was piloted by me, asking the Government to commission a study and report its findings on the feasibility of a contributory pension scheme for these islands. Since that time, there have been two proposals presented by various Governments, one in 1986/87 and another in 1990/91. These proposals were for a pension system which was to a large extent Government controlled and Social Security in nature. These proposals were very unpopular and after much public debate and opposition, each proposal was shelved.

As a result of this debate, much discussion has been ongoing on the subject of pensions and retirement plans generally amongst the public. However, in the absence of guidelines or legislation mandating pensions, and specifying minimum standards there has not been a significant improvement in the availability of pensions for today's working population.

As years go by a greater number of Caymanians will reach retirement age without adequate provisions for their golden years. These older citizens could become a burden on their families and on Government's Social/Welfare purse.

As a Caymanian and the Minister responsible for the subjects of labour relations and human resources and pensions, I remain concerned about the lack of structured and reasonable pension provisions for our working Caymanians. Too many people have given their lives to the loyal service of their employer and have gone into their sunset years without sufficient financial security to meet their needs, and have struggled with ill health to make ends meet long after what should be a normal retirement age.

It is true that our Caymanian people are independent minded, our elderly are proud and many of them still work as long as they can hold a job, but it is also equally true that many of them work because they have to and they go to work even when they are very sick, and they only become sicker.

It is obvious that this situation will not improve for today's workers unless the provision of pensions is made mandatory. A number of pension plans are in existence in this country already for the public sector and for several private sector employers. While the organisations and businesses who have had the foresight and social responsibility to voluntarily offer these deferred benefits must be commended, we must also now accept that many of these plans will have to be more closely regulated and in some cases revamped if they are expected to provide a meaningful retirement benefit for the working people, the contributors.

There is minimal monitoring of these plans today and the provision of these plans is wide ranging and potentially problematic. For example, with regard to the vesting period, that is, the length of time required for one to be eligible for retirement benefits. Affordability is another example, that is, keeping one's benefits even though one may change an employer. Another example is control of the plan, investment guidelines for the fund and protection of the accumulated funds and reserves. Government's stated pol-

icy on pensions calls for the introduction of legislation to enable Government through a relevant inspectorate to properly regulate all existing and future pension plans. Government's policy and the Bill which is before us now clearly underscore that this Government feels that the Government should be the regulator and not the provider of pensions for the general public.

Other provisions are being made by the Government for the indigent and elderly who do not have sufficient safety net coverage. We have tried as a Government to address this by increasing the dollar amount and by increasing the quantity of Caymanians who receive monthly financial assistance through my Ministry. This now stands at \$200 per month. It is not yet to the stage where it is enough to assist the elderly, but it does help them and I know that the elderly and the handicapped appreciate it.

Based on the public's views and concerns regarding the earlier pension proposals and its own assessment of the shortcoming of the proposals, the National Team's policy was shaped. This policy is sensitive to the fact that any plan to be workable must be acceptable to the people, employees and employers, whom it seeks to assist.

Appointment of the Committee: In order to fully examine this policy for implementation, the Governor in Council approved the appointment of the National Pension Plan Advisory Committee in July 1994. This Committee comprising 14 members representing a broad cross section of knowledge and expertise from the private and public sectors began its work in October 1994. The members of the Committee are: myself as Chairman; the Honourable Minister responsible for Education as Deputy Chairman; Mr. Mario Ebanks, the Sr. Assistant Secretary in my Ministry, as Secretary. He kept the Committee going in my absence, and for this I am very grateful. It also includes Mrs. Edna Moyle, the lady Member for North Side, Both Permanent Secretaries, the previous Permanent Secretary, Mr. Leonard Dilbert, and the present Permanent Secretary, Ms. Lucille Seymour. At this point I would like to publicly thank my former Permanent Secretary who assisted in getting this Committee going and, of course was the overseer of the whole project. The present Permanent Secretary has certainly done her part.

Also included are: Mr. Billy Adams, Chamber of Commerce representative; Miss Juliet Johnson, Hyatt Regency representative; Mr. Carlyle McLaughlin, Accounting Sector representative; Mr. Greg Merren or Mr. Adrian Briggs, from the Water sports sector; Mr. B. Knights, Star Sanford, the Banking and Finance representatives; Mr. Hubert Boden, the Heavy Equipment Operators representative; Mr. Allen (Bunny) Myles, Construction sector representative; Ms. Judy Carlman; Hotel/Condo/Hospitality representative; Mr. Norman Kline, Orren Merren and Company, the co-opted member who is a Canadian-trained attorney with working knowledge of the Canadian Pension Legislation.

In order to fully examine this policy for implementation, the Governor in Council approved the terms of reference of the Committee, summarised as follows:

1. The review proposed planned guidelines, as well as existing draft legislation or regulation, that is, the Government's plan at the time; the Chamber of Commerce's Plan and draft legislation and regulation previously sent to a Select Committee;

2. To identify prudent and equitable provisions and guidelines and safeguards;

3. To consult with non-Government and private organisations on their plans and ideas or suggestions to achieve the policy directives;

4. To advise on the parameters for drafting instructions for a National Pensions Law;

5. To advise on the institutional and regulatory mechanisms which would be needed to monitor and enforce the law.

Meetings and Work of the Committee: The Advisory Committee met on the 27th of October and the 15th of November, 1994; the 18th of January, 6th and 28th of February, the 14th and 28th of March; the 11th and 25th of April; the 13th of May, the 1st of July, the 16th, 21st and 24th of August, 1995. As I will demonstrate later, there were several meetings this year of a sub-committee of the Advisory Committee held with the Legislative Council as well as with Government's technical advisors.

During this period of work, various assignments were delegated to some members of the Committee to undertake, and ongoing research and coordination was performed by the ministry representatives on the Committee.

The Committee shared Government's concern about the lack of pension provisions for working Caymanians, and agreed that the situation will not improve unless pensions are mandatory, through legislation which applies to all workers in the Cayman Islands. The Committee concurred with Government's sensitivity to the fact that any national pension legislation should be workable and acceptable to the people whom it seeks to assist. This is the basis on which this Committee tackled its work, and submitted its report to my Ministry and subsequently to Executive Council in September, 1995.

The Committee recommended that pensions should be viewed as a part of the employee's salary package, as such his contribution, together with the employer's contribution benefit, should be his right. With this in mind, being able to obtain benefits from a pension plan should not be used to force an employee's longevity of service with a particular employer. In order to ensure the highest possible benefit to all contributors, the Committee supported the concept of immediate vesting, with allowances for existing plans. The Committee recommended that the vesting period should be reasonable, and come into effect immediately upon employment. Under this type of environment, existing plans which have vesting periods of five, ten, 15 years, et cetera, will obviously have to be amended accordingly. As I understand it, there are several of those in the country. This is not good for the working person to be working that many years without having an interest in a pension for his retirement.

With regard to portability, it is similarly the Committee's view that as the vested pension of an employee is his right, it should be able to move with him if he moves to another employer, through various specified methods.

CONSULTATIVE PROCESS

In September 1995 Executive Council gave approval and I released, and my Ministry dispatched, 450 copies of the discussion draft by the Committee for circulation and for public consultation. During this official consultative period, which lasted from September 1995 to April 1996 every effort was made to create ample opportunity for all interested parties to understand the provisions of the pro-

posed legislation, and to appreciate the philosophy surrounding this initiative.

At the time of releasing the discussion document, there were a number of specific issues on which Government invited feedback and suggestions:

1) The acceptability and viability of the rate of contribution, which was and still is proposed at 10%, split evenly between employee and employer. That is, the employer will pay 5% and the employee will pay 5%.

2) Applicability of the legislation to non-Caymanians. On this point there have been suggestions made by some individuals and groups that employees on work permits should not be covered by this legislation. Government encouraged feedback on the pros and cons of this issue.

We have reached some agreement which I will discuss later.

3) Retirement age. The proposed discussion draft suggests a retirement age of 60, with provisions for continuing to make contributions for a reasonable period beyond that age. Government also encouraged feedback on this matter.

As I said I will speak about the feedback received from this public consultation process later.

COMMITTEE'S SURVEY

The National Pensions Plan Advisory Committee, undertook a survey of private sector employers to gather information on existing policies and practices regarding this subject. Approximately 800 survey forms were sent to a broad cross-section of employers, via 18 of their respective professional and trade associations and the Chamber of Commerce. Despite several media reminders as well as my Ministry contacting many of the associations, only a small percentage of the forms were returned.

There were, however, a number of trends which were obvious from the review of the sectorial collation of the survey reports

Defined contribution plans, as is obvious from this survey, are becoming more popular. At least two large local employers have switched from a defined benefits to a defined contribution pension plan in the past two years.

Also, those companies which have a defined contribution plan mostly require their employees to participate once they complete their probationary period. A contribution rate of 8% to 10%, split evenly between the employee and employer seems to be the norm.

Shorter vesting periods, for example after one year, as well as full portability are also the norm in plans which have reformed. However, the survey showed that vesting periods are very varied, ranging from immediate to long vesting periods (for example after ten years of service).

The normal retirement age which currently prevails appears to be 60 to 65, there are also options for early retirement as well as disability benefits.

There were also wide-ranging findings in regard to the issues of portability, level of funding etc. It can be seen that most plans in existence seem to have provisions for audits and actuarial surveys.

Based on the returned survey forms, there is a clear lack of participation in any form of pension or retirement planning in the following industries: hospitality, construction, accounting, agriculture, architects/surveyors/engineers.

The associations whose members returned their forms were: Construction, CI Bar Association, Restaurants Association, Insurance Managers, Bankers Association., Architects/Surveyors & Engineers, Accountants Society, and Agricultural Society. These eight associations (of the 18 surveyed), represented a total of 1735 employees - with an average age of 33.

Of this number, only 22 1/2 percent were covered by a pension plan; the vast remainder of 77 3/4 percent were not covered by a pension plan.

This is a fairly good indication of the situation which prevails in the country in regard to pension coverage.

REVIEW OF DISCUSSION DRAFT LAW BY TECHNICAL ADVISOR

At its meeting on 15th January this year, Executive Council approved that independent expert input should be sought on the provisions and implications of the September 1995 discussion draft of the law.

Subsequent to this decision a number of persons and companies having expertise in the field of pensions were short-listed. My Ministry negotiated a consultancy agreement with Mr. Robert Hawkes QC, to provide a range of technical services, for a cost of CI\$15,000.00. An agreement was drafted by Crown Counsel of the Legal Department, and this was executed between my Ministry and Mr. Robert Hawkes, QC, on 13th February 1996.

Mr. Hawkes is no stranger to Cayman, its pensions situation and the intricacies of our labour market. Mr. Hawkes, who is now retired, served as the Superintendent of Pensions for the Pensions Commission of Ontario, Canada from 1987 to 1991, as well as holding senior positions and directorships of several major Canadian institutions from 1955.

Mr. Hawkes' overall task was to provide technical assistance to the Legislative Council on the fine-tuning of the discussion draft, in order to ensure compliance with Government's policy, and to ensure that any amendments were consistent with the Advisory Committee's report and Government's policy. To guide the technical advisor, the following terms of reference were provided to him:

1. Review the draft law for clarity, in liaison with the Legislative council.

2. Ensure that all policy parameters contained in the September 1995 report were clearly reflected in the draft law.

3. Ensure that powers to make regulations are clear and comprehensive so as to provide for all operational and administrative details.

4. Ensure that both types of plans (defined benefits and defined contributions) are recognised and equally accommodated in the draft law.

5. Ensure that provisions for portability arrangements (local and overseas) are clear and fair to all participants.

6. Ensure that transition rules, for plans in existence prior to the coming into force of this legislation, are reasonable and clear.

7. Advise on ramifications of any unusual or difficult clauses or sections, and provide recommendations for refinements as necessary.

8. Review and compare the discussion draft law with other current legislation, for example other provinces in Canada, Hong Kong, Bermuda, et cetera.

9. Produce a written report to the Committee and the Ministry.

At the conclusion of his work (covering the tasks as outlined in terms of reference 1 to 8 which I have just read) and the submission of his report, Mr. Hawkes had positive words on the draft of Cayman's pension legislation, saying that it would be more up-to-date and complete than legislation in many other countries, while also including provisions specific to the Cayman Islands. He stated that pension legislation is especially important, as the primary difference between Cayman and other countries is that the social safety net consists primarily of assistance given by the Social Services Department, as well as benevolence by community groups, churches, and family members of the elderly. He said that with pension legislation in force, people were not dependent on a hand-out from Government. He said that he had sensed during his time here that financial independence is very important to people in Cayman, and the draft law was tailored to that objective.

PUBLIC COMMENTS AND CONCERNS EXPRESSED DURING CONSULTATION PERIOD

As Honourable Members of this House are well aware, the subject of pensions has been discussed in Cayman since 1965. Discussed, let us say, with at least two proposals for the past ten years and even before that, as I can recall people talking about pensions in 1965. The latest round of discussion has been generated as a result of this Government's policy statement, which got underway with the release of the Advisory Committee's Report and discussion draft in September 1995, followed by the release of a revised discussion draft in May 1996. Coinciding with the release of these drafts, there were some media activity initiated by my Ministry through Government Information Services (including Radio Cayman and CITN appearances, press stories, public service announcements, discussion with focus (advisory) groups, and the publication of a brochure). At this time I would like to lay a copy of this brochure on the Table of this House.

Also, we had dialogue with several private sector associations and employers (including the Advisory Committee - which, in itself, is a broad-based source of diverse backgrounds and expertise).

During this period written representation was received from the following: After the first discussion draft in September 1995, Coutts and Co., Brown Brothers Harriman Trust Company, Cayman National Trust Co., Mr. Peter Tomkins, Mr. J. Wallace Platts, Mr. Charles Adams, Caribbean Utilities Co. After the revised discussion draft my Ministry did not receive much written representation aside from newspaper letters and articles from primarily the Chamber of Commerce, and letters from the Council of Associations, Columbia Sussex Corporation (owners of the Radisson and Westin Hotels), Global Life Assurance Co. Ltd, and W.S. Walker & Co. Of course, there has been the usual misinformation from politicians on the platform and, I should say, from Members of this Honourable House who are now on a bandwagon. I will deal with them in due course.

A LISTING OF THE HIGHLIGHTS OF THIS WRITTEN FEEDBACK IS AS FOLLOWS:

1. Transitional issues with regard to plans in existence prior to this law coming into effect, particularly how to fund past-service liabilities (especially for plans with long vesting periods vs. the proposed immediate vesting period as we have in the law).

2. Need for an efficient and reasonable inspectorate.

3. Support for the defined contribution plan because it is more simple, cost-effective, portability is easier, easier to track accumulated funds etc.

4. The importance of containing costs, especially for small companies. The contribution phase-in procedure which is proposed in section 46(9) of the Legislation was appreciated by the public as a good concession in this regard).

5. Rate of contribution, applicability to all workers, and retirement age proposals in the discussion draft were all supported. 6. Support was given to the proposal that existing plans be allowed to phase-in the Law's requirements over five years.

The Speaker: Would the Honourable Minister take a suspension at this time?

Hon. W. McKeeva Bush: Yes, Madam Speaker. Thank you very much.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.35 AM

PROCEEDINGS RESUMED AT 12.05 PM

The Speaker: Please be seated.

The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture, continuing.

Hon. W. McKeeva Bush: Thank you, Madam Speaker.

Dealing now with the highlights of the written feedback from the public;

7. There was also support for clear and reasonable investment guidelines.

8. Inflation protection through indexation of benefits was supported, although further information would be required in the regulations in regard to this and other specific procedures.

9. Comments were made on the role of existing and new life insurance policies/plans.

10. Support was given for public education and awareness, as well as developing various enforcement methods.

11. Comment was made on the need for careful scrutiny on what quality of companies are registered as approved providers, as well as the need for ongoing monitoring.

12. Support was also given for the need for confidentiality of all information.

13. Need to ensure that knowledgeable individuals serve as trustees or board members.

14. Need to arrange workable portability procedures for departing expatriate workers.

15. There was strong support for full participation of all employees (including civil servants).

16. There was also strong support expressed in the written feedback for a referendum type procedure for any amendments to this law. However, while this idealistic procedure may have some merit, several respondents commented on the practicality and potential abuse of this sort of procedure. If we had to have a referendum when we wanted to change this law it would provide a higher rate of contribution to a half percent (or some percentage). We would have to go out and call a referendum, have a vote on it... I think that in a small island such as ours, we can have general consent from organisations. It is difficult to get general consent from the Chamber of Commerce because they just like to fight all of the time. But, nevertheless, we can sit down and discuss with them. I, myself, cannot support a referendum to make any changes in this law.

17. It was also suggested that membership on the National Pensions Board should be made by direct election from relevant associations, organisations and so on. Of course, that is the usual thing whenever Government is appointing a board, they want (the Chamber in particular) to have ten members out of nine on the board.

18. Concern was also expressed on how to address the public sector pension scheme's liability for past service.

A sub-Committee of the National Pensions Plan Advisory Committee and my Ministry, in most cases with the Legislative Council in attendance, has reviewed all of this representation. Where necessary, and as considered prudent by Executive Council, there have been amendments, refinements and clarifications to the drafts. The Bill which I am presenting today is the fifth draft of the September 1995 discussion draft, which was used to formally get this public consultation exercise underway. It is the fifth draft. For anyone to say that they never had a chance, or that there was never any public consultation cannot be serious about providing a pension for the working people in this county.

MAJOR POLICY COMPONENTS OF THE LEGISLATION INTRODUCTION

There is a great deal of debate going on in the world today concerning the important issue of retirement planning. For example in the United States, Hong Kong, France, the United Kingdom, and Canada (to mention some), there is much discussion concerning the importance of pensions, safeguards to protect the interests of the contributors and the credibility of the plans; reforms needed, and the need to ensure that pension plans are sufficiently funded to cover the various benefits.

The American President recently said, "Every American should be encouraged to set aside money for their retirement and make investments in their economic future. Our action will assure millions of Americans that they can put their savings and their trust into a financially sound retirement plan."

An article in a recent issue of a British newspaper also highlighted efforts which are underway to reform and privatise the pension system in the UK. There is a big debate going on right now in the UK on that matter.

At this particular time, my Ministry is very pleased to have led the debate in Cayman concerning the introduction of this landmark legislation to regulate and I want to underscore that word to regulate, not to administer pension plans in these islands. The National Pensions Law will mandate that all eligible persons employed in the Cayman islands should participate in an approved pension plan. It is not the intention that a Government controlled Social Security scheme (as proposed by previous Governments) be set up. Instead this legislation will set the minimum standards for all existing and new pension plans in these islands, and will provide for the regulation and supervision of these plans by a suitably qualified and equipped Government inspectorate, in the form of a Superintendent of Pensions and a National Pensions Board. Government will not control or manipulate the investment of the funds in these pension plans, but will only ensure that they are invested in accordance with prudent guidelines as provided by the law and regulations. Obviously employers are encouraged to exceed the benefits as prescribed in the law, while ensuring that the interests of contributors are protected.

I know that some concern has been laid saying that it is the politics of an election year. That we have left it to late. That is not true. I would have liked to have had this matter before the House earlier, but I believe that any sensible person listening to what I have said and the process that I outlined this morning, will determine for themselves that we have made every effort as a Government to get this to where we could have a draft Bill. Even now there are still complaints, there are still radio announcements reported to be from the Chamber of Commerce regarding this pension scheme.

I do not know, but our great Creator could not please everyone. I doubt that McKeever or the National Team can. However, none of the political pundits can deny the fact that we have been actively discussing and debating pensions since, as I said, 1965. Nor can anyone deny that when we had the "great debate of 1995" on the labour law amendment, that there was overwhelming support and calls for legislation to mandate the provision of pensions for all employers and employees in the Cayman islands. If that great debate did nothing else, it made all and sundry in this country understand that this was not a Government that was going to sit down and not provide the long term (in some cases short term) retirement for its people. If I had not gone forward at that time, I would have to be fighting today much greater battles, I am convinced, to provide pensions. I would not have gotten this far.

As a proactive Government, we have listened to the public on this important matter. The pulse of all reasonable people is that we are as close as we have ever been to proposing an acceptable and workable framework for retirement planning for these islands).

Government appreciates very much the support and assistance of the many organisations and individuals who have served on the National Pension Plan Advisory Committee or who have provided ideas or suggestions on how to improve this initiative. We all know that the alternative could be a Government-operated and sponsored pension plan. It has been proven that these types of plans have failed around the world, and it would be unwise for Cayman to adopt that type of system for Cayman's unique and progressive economy. This Government is endeavouring to introduce a legislative system which is current and adequate;

we trust that Honourable Members and the public will fully support the better proposal which is before us at this time.

It is Government's intention that when the Bill is passed it will not come into effect right away in 1996, but there will be a six month moratorium on enforcement.

I would now like to take some time to tell Honourable Members about some of the aspects of the revised proposed Bill, as well as to shed some light on other aspects surrounding this initiative.

PURPOSE OF LEGISLATION

We all understand that the primary advantage of pension legislation is that it protects the future financial security of the population. Its aims are that future retirees will have a reasonable standard of living, and that they will not place a burden on the Government or their families. Pension legislation seeks to guarantee that senior citizens in the future remain independent and enjoy their retirement.

By instituting retirement planning, contributing to an approved pension plan promotes a "saving society". I believe that one of the greatest faults of many Caymanians is that they have failed to be prudent in putting something away for a rainy day. I know from my experience as a legislator for the past 12 years, many of the 'little men' who have to come to us as legislators when they are in difficulty, sometimes for medical, sometimes for other major and less major things, but they do not even have \$200 or \$300 to help themselves. We all know what it is to be poor, but if we can help somebody understand that if they are making \$200 and they put away \$10 for the week, in a couple of years time that will grow and blossom into something beautiful for them and assist them. We will have then done our part as legislators.

Look at the statistics. You can tell from the saving trends (just savings, not investments of upper income people; I am talking about saving tends of the common man on the street) we are far behind. This is what this legislation is attempting to also do. It gives the country a social safety net, and assures greater peace of mind for both employee when he needs something, and also the employer. There are many people who are concerned about their employees. They have to work with them day in and day out; they see their situation and come to us as legislators. The same way they come to us as legislators is the way they sometimes go to their employer. So there are employers who will have a greater peace of mind from this legislation.

This can be achieved as employees gain confidence in their ability to live well in the future, as well as in the promotion of goodwill towards employers who are seen to be carrying out their civic duty and providing for their employees.

ELIGIBILITY

The legislation proposes that all workers who are between the ages of 18 and be required to participate in an approved pension plan in the Cayman Islands. Of course, employees may choose to begin contributing before age 18 and after age 60. I would encourage them to do so, as the bigger fund they can accumulate the better off financially they will be during their retirement years.

I will be moving some amendments at Committee stage. These amendments will provide that in clause 2 the words 'but does not apply to pension plans of Govern-

ment' be deleted, and that in clause 3 the definition of certified copy, the word 'attorney' be deleted and the word 'attorney-at-law' substituted.

What I want to hone in on at this time is the deletion of the words 'but does not apply to pension plans of the Government'.

There is big hue and cry about this. I must say that all of the civil servants that I spoke to told me that they have a good pension plan. We are not yet ready. I must say that is not from a broad cross-section, but there are those in this House today who I hope will address that issue in this debate. As far as I am concerned, I am waiting on the hierarchy of the Civil Service to say what they want to do and what they think is prudent.

The fact is that before any pension was in this country, this Government and previous Governments for many years provided pensions, before anybody else, for the Civil Service in these islands.

Those people who are trying to make some hay out of the fact that the civil servants were not in the Bill should not try to stir up any trouble there. They should listen to the people in the Service in the know. That is who I have to listen to. That is who I will be guided by. The Civil Service pension scheme is better off today than it has ever been. But if they go into the scheme the big gripe is that they must go in because this large amount is not provided for, that it is out standing. If they go in now, will that make them any better off immediately? No, because we must all use our common sense. Whether it is \$65 million or \$100 million, this country does not have the money to say pay Global Life, or pay into the Chamber of Commerce scheme. We have to be practical and sensible. Government, through the hierarchy is coming to an agreement, and has reached some agreement. There was a Bill passed. So, those people who are trying to start up trouble should think again.

I will probably come back to this later. The amendments that I will be tabling to remove those words so that when the hierarchy says we are ready for them to come in, they can come in - if that is what they want.

In the amendments we will also clarify and make absolutely clear that domestic servants in the private home can have their own arrangements but it will not mandate that they are covered. Each family will make an arrangement with their domestic.

I do not know why they twisted that, because I listened to a meeting the other night and I shut off after listening to what I call serious misinformation that they could have gotten to the stage to talk about domestics. I would just like to say that when you consider the vast number of domestics and the present state of the country culturally (and I use the word culturally for want of a better word)... People historically in this country have not used to a great extent pre-schools. Young families could easily get a maid and they thought that it was better to get a maid to do some work in the home and to keep the children home. Families are now beginning to use pre-schools more and more in the country. The domestics in most instances take care of children. That is why there are a lot of them.

We have many single parent families who have domestics. I do not think that I would be putting forward any suggestion at this time to say that they must cover their domestics. What I am prepared to say in the legislation is that they should make an arrangement between themselves.

I think that is one of the most serious parts of the amendment. You will find in clause 94 the amendment, 'the Governor in Council may, after consultation with the employees of the Government make an order providing that this law shall apply to the Government.' I guess that is the best that I can do.

Listening to the various criticisms, I heard one political group, in particular the First Elected Member for Bodden Town in a meeting, saying that there were no defined benefits. He put forward the position that employees were going to make direct payments to the Government. I listened and I had to wonder.... I am not going to say any more. I am going to give those Members a chance to save face, and to come and say that they were wrong. The Bill certainly does not say that. I know they will debate it, so I am going to give them that chance. I am trying to keep the debate at a high level, and I hope that they are prepared to do the same. I can say that I am not happy with the amount of deliberate misinformation. Even at that time, the draft Bill was out, when Team Cayman dealt with it in their two meetings. I hope they are prepared to admit that they were wrong, to say the least.

They also say that we disregarded the people's input. I do not believe that that can be said either. "They have not told you what you will be getting for putting in all of that money." I am quoting the First Elected Member for Bodden Town. I hope that he can tell them what they will not be getting. I know what they will be getting. They will be getting peace and satisfaction when they reach retirement age.

The objective is to put in whatever little bit you can put in, but whatever you put in you will get back. Government is not collecting any. This is not a social security system. Government will not collect anybody's money. You will chose with your employer what scheme you want to get into. Then you and your employer will put in an equal amount and whatever that comes out to be you will get all of it back. I hope they will be big enough to say that it was in the heat of politics that they said it; or be big enough to say what they said then, that they are not supporting this scheme. That is what they said.

I do not want the House to be left with any impression that anyone is going to put money into this scheme and not get it back. They will get every cent back, plus interest. I await to hear from the people who are saying that I was an idiot and did not know what I was doing. That sort of thing hurts at times, but I take it in the spirit that it is politics and that they know better. The same way they were wrong with their understanding of the Bill, they are wrong about the things they say about me.

Moving on to Registration and Approval.

REGISTRATION AND APPROVAL OF PROVIDERS:

The law establishes an Inspectorate. One of the duties of the Superintendent of Pensions will be to assess and register all qualified applicants who are seeking to be licensed as approved providers for the purposes of offering pension plans in this market.

These providers will include: life insurance companies, pension companies, class A banks and trust companies, and other suitable employers who may offer multi-national plans. By ensuring that only the best quality providers are registered, allowing freedom of choice, and promoting competition, we will have an effective and beneficial framework for all parties.

Government is primarily seeking to regulate the pension industry, to ensure prudent standards of operation, and to ensure a similar basis for benefits to all participants - all within the fundamental democratic principle of freedom of choice.

CONTRIBUTION RATE AND PENSIONABLE EARNINGS

The contribution rate is proposed to be 10% of each person's declared earnings, split evenly between the employee and the employer. The employer will be empowered in the law to deduct the employee's contribution from his salary or wages; add on the employer's matching contribution, and pay the total into the approved pension plan in which that business is participating.

Another criticism from the First Elected Member for Bodden Town, who must have been the spokesperson on pensions, was that Government would have access to what people's salaries are. They promote the Social Security System. How would they think that they would be able to make a deduction from that type of scheme? The only way that you could get run out of it (when Government handled it) is for the Government to deduct it, or for your employer to deduct it and send it on to Government. This is exactly all that is happening except that this is not being sent to Government, this is being handled by independent people, just like you have a bank. All Government does is regulate Barclays Bank and say they must do this or that, or CIBC, and they are a good company. This is all that Government will do. Why not? We regulate insurance, we regulate bankers, we regulate accountants, we regulate mutual funds, we regulate the whole financial industry. Why can we not regulate this?

But to have the audacity to get up and say that Government will know what your salary is so do not support that system, but support what Team Cayman proposes, which is a social security system to say the least, and to tell the people that Government is going to know what their salary is, yet propose something that Government will have full control of is not being honest with yourself, the people they purport to serve or the entire country, or the future of those people. Social Security systems in the vast majority have failed. We all hear about the problems in the United States.

The law further provides that contributions be calculated on earnings up to CI\$60,000 per year; in other words, deductions need not be made on amounts in excess of CI\$60,000.00 p.a.

I see that the Chamber of Commerce and the Hospitality Sector are proposing that gratuities not be included in the calculation of income for the purposes of assessing the pension deduction. I cannot agree with this, and I hope that the House will not agree with it. It is a well known fact that gratuities account for the largest portion of salary/income for non-managerial staff in the hotels, restaurants, condominiums, bars, etcetera. If the pension provision is only provided from the straight wages, the employer and employee will only be paying a small amount which will only give the employee a pittance for retirement. Anyone who suggest that does not have the peoples' welfare in mind. At the best of times all they take home on a straight wage for the month is \$800, if they even make that. I cannot understand why it is so hard for some people to accept that that level of person needs as much as me, or you, or the next higher income person to make it. Their whole argument is that they do not

want gratuities in the first instance. We know that because some people deliberately steal them. As fast as we plug one hole, they find another one.

The Chamber of Commerce and the Hospitality Sector and... I do not want to get into any big fuss with him because I have had enough meetings. It is time for action it is time that something be done. The Chamber of Commerce and the Hospitality Sector are going a step further and suggesting that the employee should pay the full 10% on the gratuity portion of his income.

This again is an insult to their loyal employees because they will be paying the "lions share" of the contribution, and the employer who often use gratuity to subsidise the low wages will be getting a "sweetheart deal" again.

Furthermore, this type of inequity will only discourage Caymanians from choosing the Hospitality Sector as a career, and would poke fun at the claims which the Hospitality Sector makes concerning their desire to attract Caymanians into this sector. It goes without saying that I will not be subscribing to any games and sweetheart deals with the hospitality or any other sector which will generate "short term gain for long term pain" on the people of the Cayman islands. So they had better think again about how to equitably treat gratuities and not try to abuse this by a new method.

Of course, the First Elected Member for Bodden Town in his recent meeting told his small audience that this Bill proposes that the full contribution for the gratuities should be paid by the employee.

Mr. Roy Bodden: Madam Speaker, on a point of order.

POINT OF ORDER
(Misleading)

The Speaker: May I hear the point of order, First Elected Member for Bodden Town?

Mr. Roy Bodden: Yes, Madam Speaker. I think the Honourable Minister is misleading the House. Really and truly, I have tolerated it for as long as I could, but now I can no longer tolerate it because it is becoming too dangerous. At no meeting did I tell any audience, small or large, that the full contribution of gratuities should be taken. I think the Minister should discard or fire that messenger because they gave him incorrect messages.

The Speaker: Honourable Minister.

Hon. W. McKeewa Bush: If I fired the messenger, I would have to fire the speaker, that is the person speaking at the public meeting. That is what the tape has on it. But, as I said, I am trying to keep this at a high level. If he says that he did not say it, then, so be it. But if I am challenged, I am prepared (and I hope that the House would agree) to play that portion of the tape which I have complained about, because I listened to the tape myself.

The Speaker: The point of order was made and if the Member wishes to withdraw his point of order, I will leave it there.

Mr. Roy Bodden: I will have a chance to debate, so I will rectify and clarify the matter in my debate.

The Speaker: In that case, then, you withdraw the point of order?

The point of order is withdrawn, Honourable Minister. It is five minutes to 1 o'clock, would you take the luncheon suspension now?

Hon. W. McKeewa Bush: Yes, Ma'am. This is a good time to take a break.

The Speaker: Proceedings suspended until 2.30 pm.

PROCEEDINGS SUSPENDED AT 12.55 PM

PROCEEDINGS RESUMED AT 2.47 PM

The Speaker: Please be seated.

The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture, continuing.

Hon. W. McKeewa Bush: (microphone not turned on)

In order to minimise the impact of the contribution on the employee's take-home pay, and on the employer's bottom line, the law and regulations will prescribe a phasing-in mechanism for contributions for the first 5 years of the legislation coming into force. Employees up to age 45 may choose to phase-in their contribution rate for the first 5 years. That is from the acceptance age of 18 to age 45 can phase in their 5%. They can choose to put in 1%, 2% or 5%. Employees who are 45 years or older will be required to begin contributing at the prescribed rate of 5% at the minimum. While this phase-in provision may seem to be convenient, it is obviously better for contributors to begin at the required minimum (now proposed at 5% each), because the lower contributions in the early years will translate into lower retirement or disability benefits when needed. All workers will be encouraged to make "additional voluntary contributions", however, these would be voluntary on the part of the employee and employer.

It is only fitting, that the employer share the burden of providing for the retirement of the employees who have served them in their productive years, and have helped the business enjoy a high level of success. I believe that businesses have a social responsibility; contributing to the future well-being of their present workers is part of that responsibility, as well as ensuring that the future of that company and the economy of the host country remains prosperous in the long term. I believe that it is true that the image of employers will be raised by their offering a good pension plan to their employees. In this connection we commend those companies who have been farsighted in voluntarily offering good pension plans to employees in Cayman.

IMMEDIATE VESTING

The proposed legislation prescribes that vesting (that is, the time period which is required before the employee can claim ownership of all of the proceeds in his accumulated fund), be immediate upon employment. This has been proposed because of the transient nature of Cayman's workforce; the trend appears to be that workers in this labour market will change employers at least once in every five years. Therefore the long vesting periods of five, ten or 15, and even 20 years as is currently the case with some pension plans is really not appropriate for the best interests of retirement planning in these Islands. In fact, several other industrialised countries are also reforming their pension plans to immediate vesting.

If we view pensions as deferred remuneration, it is a part of the employee's benefit package, and is therefore his right, and he should be able to take it with him if he changes employment - but cannot withdraw it until retirement, or upon permanent disability. I do not agree that long vesting periods alone should be used to retain employees. Neither would I want to encourage our employees to move from job to job. They need to be more permanent and have continuity in their job. That is something that I would like to encourage.

PORTABILITY - LOCALLY AND OVERSEAS

The proposed legislation ensures that if jobs are changed, workers can transfer the pension benefits accrued under one employer to the new employer. The balance in his fund can be transferred to the pension plan in which the successor employer is participating.

If agreed upon, participating expatriate employees will also have full portability. Upon completion of work in Cayman and departure from this territory, they may have their fund transferred to their new employer's plan; they may leave it in Cayman indefinitely, or they may terminate their Cayman plan and have the proceeds transferred if their Cayman plan has been inactive for two years or more.

BENEFITS

Proposed benefits are: retirement pension; early pension if the contributor becomes permanently disabled; and survivors benefit (if the contributor dies during his working life or during retirement). These payments will be made on agreed intervals (example monthly), and will obviously be in proportion to the fund which the employee has been able to accumulate during his period of contributing to his pension fund.

TYPES OF PLANS

Both types of common pension plans will be allowed under the legislation, that is, the defined benefits plan and the defined contributions plan. The law will ensure that existing plans meet the standards as prescribed by the law. Those private sector plans which are currently in existence but may not initially meet the law's minimum standards may still be registered by the Superintendent of Pensions, however they will have to file an undertaking with the Superintendent to bring their plan up to the minimum standards within five years.

INVESTMENT GUIDELINES

The regulations to the law will prescribe investment guidelines which are prudent while at the same time maximise the return for the pension fund. Conventional investment vehicles will be proposed, with a sensible "investment mix", and a low-risk portfolio.

One of the Opposition's criticisms, in particular the pension spokesperson, the First Elected Member for Bodden Town, criticised this and said that it was just going to take people's money and we would not have any way of keeping track of people's money and that we would lose their money by their insurance company running away with it. I even heard some fun being poked at me while they asked who was going to chase it. It certainly could not have been me because I could barely get out of my way! Well, they will have to deal with me if they think that I cannot! Greater people than he thought I could not get out of my way, and they are in mothballs today.

The truth is that we as a Government (or any Government after us) will regulate. As I said earlier, this is no different

than the regulations proposed to deal with banks or insurance companies now, dealing with mutual funds and all of those other things. In the general run of administration there are good and bad companies. The Government weeds them out as best as possible and they are not allowed to operate.

I do not think that that Member should tell the public not to support this pension scheme because some insurance company (or any other company) is going to run away with their money. It is unfair to the scheme. It is unfair to the regulators and it is unfair to the country to put that kind of unproductive representation forward. I am waiting to hear what they will say in the House, but I have been dealing with their criticisms as I go along and as I hear them.

This will be regulated as well as any bank is being regulated. The people that they are trying to frighten are the people who needs it. Do not believe that this is being done for the National Team. I could have easily left it alone. I could have shelved it because I have taken a lot of heat for it. I could have put it away, but we have to start somewhere. We have to give the people of this country some safeguard. We have to be leaders enough to show them - even when the doubt - we have to show them what is good for them. If he or any other person can get up and say that this scheme does not give the man who does not have anything some protection, then they are not leading right. They are not telling the truth.

We have too many cases now of people at age 74 or 75... I have recently had to deal with it. The older ones are being shut out. It is one of the reasons why the labour amendments were being proposed, to try to get some discussion to come to grips with the problem. Whether I was wrong in proposing what I proposed or whether someone else was right is not the point. The point is that there are people in this country... and the thing that hurts me the most is the women working in the hotel industry an din some of these offices for 30 years with nothing - not even a good wrist watch. Even if they had gotten a wrist watch, that cannot buy milk or bread, it cannot pay for doctor bills. To tell people not to support it because it is no good - when they do not even know what is in it themselves... they are not leading, they are regressing.

The regulations to the law will prescribe investment guidelines which are prudent while at the same time maximise the return for the pension fund. I might have already stated that, but I want to underscore it.

It is proposed - for those Members who have gotten up on a platform to educate the public about this scheme, telling them to ask me as the Minister responsible for pensions, telling the public to ask me what they will get out of it because they will not get anything out of it - that each employee's fund will be individualised and tracked just as a bank account is now done. Employees will thereby be able to see the growth of their fund over the years; the employee will receive regular reports (of at least twice per year) on the status of his fund and the performance of the investment.

It is also proposed that there will be full participation by all participating employees and employers through being represented on advisory Committees in respect of the pension plan in which they are participating, as well as having input into any proposed changes to the law or regulations. This type of information and participation will hopefully encourage savings for retirement and serve as a discouragement to employees who may be tempted to evade contributions.

SUPERVISION AND SAFEGUARDS

All pension plans in the Islands will be subject to the ongoing monitoring and supervision by the office of the Superintendent of Pensions. This Inspectorate will be established to

oversee the operation and compliance with the proposed legislation. As I mentioned previously, all plans will have to be registered, they will have to submit regular reports for supervision purposes, and there will be penalties prescribed to those who breach the law.

Each plan will have to also undergo audits and actuarial assessments as prescribed by the regulations, so as to ensure that the plan is being properly administered and that the assets are sufficient to cover the liabilities for pensions and other benefits.

Seeing that the defined contributions pension plan is more straight forward and simple to administer, its requirements for audits and actuarial assessments will be less frequent for these types of plans.

Before I move into the Memorandum of Objects and reasons, I would like to say to those persons who have been against the Pension Plan inside and outside of this House, in particular those who are going to debate, that I would like for them to take this Bill and explain its every clause to the public - those who are going to object to the plan. Explain the Bill then tell the House and the country that we do not support it. Then, give an alternative to each clause and then the whole scheme because that is what we need. There is no use to come and criticise this Bill.

I hear them saying the other night that they are not now expressing their alternatives. Do they have one? Now is the time that the public needs to hear why this Bill is not good - each and every clause, each and every provision - and what should be put in its place. That is the job for the Opposition. This is an important piece of legislation, as important as any constitution that has been proposed or debated, or any other matter of that nature.

They cannot hide and run and say that they are not going to express their alternatives. Now is the time for those people who criticised it on the public platform to put it forward. Put forward your alternatives now. Tell us why clauses 1 through 96 cannot work and what you propose.

MEMORANDUM OF OBJECTS AND REASONS

Clauses 1 through 5 deal with preliminary matters, such as the title of the Bill.

This may seem tedious to Members but there has been a campaign going on to discredit it. The Chamber of Commerce has taken certain parts and tried to discredit it. The two Members who are now having a separate meeting over in the corner have done the same thing. I think it behoves me as the Minister to go through the Memorandum of Objects and Reasons in detail.

In clause 3, the definitions of terms used in the Law. Definitions include "pension plan" which includes defined benefit pension plans and defined contribution pension plans but does not include an employee's profit sharing plan or a deferred profit sharing plan, a plan to provide a retiring allowance, or a plan under which all pension benefits are provided by contributions made by members only.

In clause 4, the definition of place of employment. A person is deemed to be employed in the Islands-

- (i) where the office of his employer to which he is required to report to work is situated in the Islands; or
- (ii) where the office from which the person's salary, wage or other remuneration is paid is situated in the Islands.

Clause 4 also provides that an employer who fails to provide a pension plan for an employee commits an offence and is liable on summary conviction to a fine of \$5,000 or on indictment to a fine of \$10,000.

In clause 5, the provision for the regulation of defined benefit pension plans which are terminated on the date of the commencement of the Law.

Clauses 6 to 19 deal with the registration and administration of pension plans.

Clause 6 provides that no person may administer a pension plan which has not been registered. A pension plan may however be administered for a period of 180 days after the commencement of the Law without being registered. Any person who administers a pension plan contrary to this clause is liable to a fine of \$5,000 and to a further fine of \$500 a day for each day in which the plan was administered contrary to the Law.

Clause 7 prohibits the administration of a pension plan where the Superintendent has revoked the registration of that plan or has refused the registration thereof.

Clause 8 specifies the persons who may administer a pension plan. These persons include an employer, a pension committee, an approved provider, and a board of trustees.

Clause 9 deals with the registration of a plan. An application for the registration of a plan shall be made in the prescribed form within 60 days of the establishment of a plan. The form should be accompanied by the prescribed fee and by other documents including the following -

- (a) 2 certified copies of the document constituting the pension plan;
- (b) a certified copy of any reciprocal transfer agreement relating to the pension plan;
- (c) an actuarial report given to the administrator or employer in connection with the establishment of the pension plan.

Clause 10 specifies the information which should be contained in the document that constitutes the pension plan. Such information includes-

- (a) the method of the appointment and the details of the appointment of the administrator of the pension plan;
- (b) the conditions for membership of the pension plan;
- (c) the benefits and rights which will accrue on termination of employment, termination of membership, retirement and death;
- (d) the retirement date under the pension plan;
- (e) the contributions and the method of calculating the contributions required by the pension plan;
- (f) the mechanism for establishing and maintaining the pension fund; and
- (g) the method of dealing with surplus during the continuation and on the winding up of a defined benefit pension plan.

Clause 11 provides that the Superintendent shall not register a pension plan that does not provide for the gradual and uniform accrual of benefits or a pension plan under which an employer can vary the formula for the computation of the employer's contributions.

Clause 12 deals with the registration of an amendment to a pension plan. The administrator of a pension plan may not amend a pension plan without the recorded approval of two-thirds of the active members and former members of a pension plan. An administrator may however amend a plan without the approval of the members where, in the opinion of the Superintendent, the amendment is minor or statutorily required.

Clause 13 provides that an amendment of a plan which reduces certain accrued benefits is void and of no effect while clause 14 provides the procedure for the acknowledgment by the Superintendent of an application for the registration of a pension plan.

Clause 15 prohibits the registration by the Superintendent of a pension plan or an amendment to a pension plan

which does not comply with the Law. The Superintendent may also revoke the registration of a pension plan which is not being administered in accordance with the Law. A person affected by a decision of the Superintendent under this clause may appeal to the National Pensions Board under clause 71.

Clause 16 specifies the duties of an administrator of a pension plan. An administrator shall ensure that the pension plan and the pension fund are administered in accordance with this Law, the regulations made under the Law and the documents filed with the Superintendent upon the registration of a pension plan or an amendment to a pension plan. An administrator's duties also include the review of the financial operation of the plan, the filing of an annual information return relating to the pension plan with the Superintendent and the filing of such additional reports required by the Law and the regulations.

Clause 17 imposes a duty of care on the Superintendent in his administration of the pension plan and the administration and investment of the pension fund. An administrator must not allow his private interest to conflict with his duties and powers in respect of a pension fund.

An administrator may employ one or more agents to assist in the administration of the plan or the pension fund. An agent is under the same duty of care as an administrator and is entitled to usual and reasonable fees and expenses provided in respect of a pension plan which shall be paid out of the pension fund.

Clause 18 provides for the provision of information by an employer to an administrator to assist the administrator in complying with the Law and the terms of the pension plan.

Under clause 19 the members of a pension plan may establish an advisory committee to, among other things, monitor the administration of a pension plan and to make recommendations to an administrator respecting the administration of a pension plan. This clause does not apply if the pension plan is administered by a pension committee or by a board of trustees.

Clauses 20 to 24 deal with the disclosure and the provision of information relating to a pension plan. Clause 20 provides that an administrator shall provide in writing to each person eligible to become a member of a pension plan explanations relating to the provisions of the plan, the person's rights and obligations under the plan and other information prescribed by regulations.

Clause 21 provides for the giving of notice to members by the administrator of a proposed amendment to a plan, and clause 22 provides that an annual statement shall be given to each member specifying the member's benefits or accumulated funds under the plan and any ancillary benefits.

Clauses 23 and 24 deal with the inspection of documents relating to a pension plan by specified persons who include members, former members, claimants under the plan and the spouses of members and former members.

In accordance with clause 25 most employees between the ages of 18 and 60 shall be members of a pension plan. An employer is not required to provide pension plans or to contribute towards a pension for the benefit of employees who are not Caymanian or of Caymanian status and who have been employed in the Islands for a period of less than 2 years. Further, every self-employed person is required to be a member of a pension plan and shall make such minimum contributions as are prescribed in the regulations. The Superintendent may approve the provision of a separate pension plan for part-time employees where such plan provides benefits equivalent to those in the pension plan for employees of the same class employed on a full-time basis.

Clause 26 provides that the normal retirement date under a pension plan shall not be later than one year after a person has attained 60 years of age. Every pension plan estab-

lished before the commencement of the Law shall be deemed to specify such a date unless it provides an earlier retirement date. A member may elect to continue employment and membership after the normal retirement date and to accrue benefits under a plan. This is however subject to the terms of the plan limiting years of membership for the purpose of determining a member's pension benefit or fixing a maximum amount of a member's pension benefit.

Clauses 27 and 28 provide respectively for deferred pensions in respect of employment before the commencement of the Law and employment after the commencement of the Law and clause 29 specifies the circumstances in which a member may terminate membership of a pension plan.

Clauses 30 to 44 deal with benefits under a pension plan. Clause 30 provides that the minimum benefit under a defined benefit pension plan to which a member of a plan is entitled is 1.5 per cent of his pensionable earnings for each year that he is a member of a plan subject to a maximum of 40 year's membership. Where a member elects to retire before the normal retirement date his annual pension shall be calculated in accordance with the regulations.

Clause 31 deals with the value of a deferred pension and provides that a member shall not be required to provide more than 50 per cent of the commuted or the actuarial present value of his contributory benefit. Where a member's contributions made before the commencement of the Law exceed 50 per cent of the value of the contributory benefit, he is entitled to a lump sum payment equal to the amount by which the contributions exceed 50% of the commuted or actuarial present value of his contributions accrued before the commencement of the Law.

I pause here to say that the question has been asked 'what about the regulations?' If you look at and listen to the amount of information contained in the Law which is normally contained in the regulations, there is not much to worry about - the information is already contained in the Law.

Clause 32 specifies the minimum ancillary benefits which may be provided under a plan. These include disability benefits, death benefits, benefits arising from additional voluntary contributions and early retirement options and benefits.

Clause 33 provides that early retirement pensions may be paid, for example, where an active member is within 10 years of his normal retirement date and he is entitled to a deferred pension. An inactive member is also entitled to an early retirement pension in specified circumstances.

A member of a pension plan may under clause 34 require an administrator to transfer the commuted value of his deferred benefit to another pension plan, to a prescribed retirement savings arrangement or for the purchase of a life annuity. The administrator may only make a transfer in accordance with the Law or with the approval of the Superintendent.

Under clause 35 an administrator may purchase a pension plan for a member from an approved provider which is defined by the Law to include insurance companies or other companies licensed to provide pensions.

In accordance with clause 36 every pension paid under a pension plan to a former member who has a spouse on the date that the first installment is due shall be a joint and survivor pension. This does not apply however to a pension benefit if payment of the pension has commenced before the operation of the Law or if the member is living separate and apart from his spouse on the relevant date or to an ancillary benefit.

Clause 37 provides that a person entitled to a pension shall, before receiving payment, provide the administrator with all information relating to the calculation of the pension. The administrator is discharged from all liabilities upon making a payment of a pension in accordance with the information pro-

vided or in the absence of such information, in accordance with his current records.

In accordance with clause 38 the remarriage of the widow or widower of a former member of a pension plan who is receiving a pension remains entitled to the pension notwithstanding the subsequent remarriage of the widow or widower.

Clause 39 deals with pre-retirement death benefits and specifies the value of such benefit and the time for payment of such a benefit to a spouse, to the children or other beneficiary of a member. A personal representative of the member may receive payment of the pension in specified circumstances.

Clause 40 provides that a pension plan may provide for the payment of greater benefits to a disabled member where such member's life expectancy is reduced because of such disability. Clause 41 permits the payment of a lump sum to a former member of a portion of the commuted value of a benefit if the annual benefit payable at the normal retirement date is more than the prescribed minimum pension.

Under clause 42 a court is prohibited from ordering the payment of more than 50 per cent of a pension to a spouse on divorce or separation. The payment of a pension ordered in such circumstances shall not commence before the earlier of the date on which payment of the pension benefit commences under the plan or the normal retirement date under the plan.

Clause 43 provides that the sex of a member shall not be taken into account in determining the amount of contributions, the benefits or eligibility requirements under a plan. Pursuant to clause 44 only internationally accepted formulae shall be used in adjusting pensions or pension benefits.

Clauses 45 to 51 deal with contributions to a pension fund. A defined benefit pension plan must be fully funded at least within 5 years of the commencement of the Law as indicated in clause 45 and clause 46 requires the payment of contribution by a member and his employer at the date of the commencement of the member's employment. Under no plan shall a member be required to contribute more than the employer and contributions are payable at regular periods during the employment of the member. A member's contribution shall be deducted by the employer from the member's remuneration and paid together with the employer's contribution into the pension fund. An employee shall not be required to contribute without his express consent to contribute more than 5 per cent of his earnings to a pension fund.

Clause 46 also provides for the payment of contributions by members which are less than the 5 per cent minimum for a period of up to 5 years after the commencement of the Law. The rates of contribution payable in these circumstances will vary according to the age of the member. Further an employer may not seek to recover the contributions payable by him from the employee.

An administrator must notify the Superintendent under clause 47 of contributions which are in arrears under a plan and the Superintendent may direct the administrator to commence proceedings against the employer for the recovery of these contributions or take the necessary action himself. An employer who fails to make contributions within a time limit given by the Superintendent to pay such arrears shall also be criminally liable to a fine of \$500 for each day in which the contributions are in arrears.

Clause 48 imposes a trust on the employer in respect of the employee's contributions deducted by him and not yet paid into the pension fund and in respect of his contributions not paid into the pension fund.

Clause 49 provides for the accrual of interest on all money due to be paid into the pension fund by the employer.

The Superintendent may under clause 50 require an administrator or any person who receives contributions under a

plan to be bonded and to provide a guarantor. Clause 51 requires every person involved in the investment of a pension fund to ensure that the investment is selected in accordance with the criteria specified in the regulations.

Under clause 52 a member is only entitled to a refund of contributions where his employment is terminated in the Islands, he has ceased to reside in the Islands and no contributions have been made to a pension plan on his behalf for a period of 2 years or more.

Clause 53 provides for the provision in a plan for shorter qualification periods for entitlement to deferred pensions other than those set out in clause 27 or 28 and Clause 54 invalidates any assignment, charging and other specified dealings with a pension benefit.

Clause 55 deals with the exemption from execution, seizure or attachment of money payable under a plan. This does not apply to court orders respecting the payment of a pension to a spouse or former spouse.

Under clause 56 it is provided that a pension or a benefit of a person under a pension plan, a prescribed retirement savings arrangement or a life annuity purchased for a person shall not be commuted or surrendered during a person's life.

Clauses 57 to 65 deal with the procedure on the winding up of a pension plan and with the determination of member's entitlements on such winding up. The Superintendent may in certain circumstances act as administrator on the winding up of a plan. Clause 65 provides that the pension fund that is being wound up continues to be subject to the Law and the regulations until all of the assets of the fund are disbursed.

Clause 66 prohibits the payment of a surplus under a defined benefit pension plan to an employer and directs that any such surplus shall be for the benefit of members only.

Clause 67 provides for the transfer of a pension plan on the sale of a business and the entitlements of those employees who become employees of the person who has bought the business of another.

Clause 68 deals with the adoption of a new pension plan by an employer. Where the employer ceases to make contributions to the original pension plan upon the adoption of a new plan the new pension plan shall be deemed to be a continuation of the original plan.

Clause 69 empowers the Superintendent to make certain orders under the Law. He may, for example, order an administrator to refrain from taking action in respect of a pension plan where he is of the opinion that the pension plan and the pension fund is not being administered in accordance with the Law. Under clause 70 the Superintendent may also make an order for the correction of documents or the preparation of new reports.

Clauses 71 to 76 provides the procedure for the appeal against any decision of the Superintendent and by the National Pensions Board. A person affected by a decision of the Superintendent may appeal to the Board. An appeal lies from the Board to the Grand Court.

Clauses 77 and 78 establishes the National Pensions Board and the office of the Superintendent respectively. The members of the Board and the Superintendent shall be appointed by the Governor in Council.

Clause 79 specifies the duties of the Superintendent and the Board which include the administration of the Law and the improvement of pension plans in the Islands. Under clause 80 it is provided that the Board shall conduct surveys and research programmes and compile statistical information related to pensions and pension plans.

Clause 81 provides for the provision of information to the Superintendent by administrators and employers, clause 82

deals with the liability of members and employees of the Board and that of the Superintendent. Clause 83 provides for the audit by the Auditor General of the accounts of the Board and of the Superintendent and clause 84 provides for the submission of annual reports by the Board and the Superintendent.

Clauses 85 to 95 deals with general matters including the following-

(a) under clause 85, the extension of time limits under the Law by the Superintendent or the Board;

(b) under clause 86, the entry onto business premises by the Superintendent for specified purposes;

(c) under clause 87, the obstruction of the Superintendent or others designated purpose in carrying out a duty under the Law;

(d) under clause 88, the issue of an order by a justice of the peace empowering the Superintendent or other person to enter on to premises for certain purposes, for example, to examine documents or to make inquiries;

(e) under clause 89, the penalties for certain offences;

(f) under clause 90, the power of the Superintendent or Board to restrain any contravention of the Law;

(g) under clause 91, the service of documents under the Law;

(h) under clause 92, the time for actions by the administrator ;

(i) conflicts between this law and any other Law under clause 93;

(j) under clause 94, the regulations which the Governor in Council is required to make under the Law; and

(k) under clause 95, the commencement of the Law.

I would now like to deal with ongoing and other pending matters, such as the public relations campaign. In regard to the education of the public on the subject of pensions, the suggested draft of a National Pensions Law was submitted to the public for feedback last September. My Ministry obviously wanted to obtain as much feedback as possible after the draft was made public. The period between September 1995 and April 1996 was devoted to taking the views of the public into account.

During that time there was some press coverage. A press conference was held to introduce the draft law, with other media coverage following. The topic of pensions was also featured on "Open Line" in November.

In January 1996, the Senior Assistant Secretary in my Ministry appeared on "daybreak", along with a member of the Advisory Committee, Mr. Billy Adams, and the Chamber providing information on the discussion draft. The Senior Assistant Secretary and two members of the Advisory Committee appeared on "Issues 27" on CITN.

Further publicity for the issue came from editorials in the Caymanian Compass, as well as letters to the editor from the Chamber of Commerce, including the publication of a survey undertaken by the Chamber showing support for the law.

Government Information Services in conjunction with my Ministry and the National Pensions Plan Advisory Committee, have prepared and are now implementing a comprehensive plan for a public education and promotional campaign to support the introduction of a National Pensions Law.

This plan consists of a number of impelling factors to capitalise on, as well as impeding factors to be overcome. Objectives, messages to be disseminated, strategies, and a plan for implementation were devised with these in mind.

The objectives of the campaign are as follows: -

- To inform the public of the provisions of the proposed law and to keep them abreast of the development process.

- To educate the public on the subject of retirement planning and sensitise them to the need to be concerned about the "golden years".

- To encourage a sense of civic duty in employers. - To encourage feedback, ideas and cooperation from all sectors.

- To fully explain the provisions and operational mechanisms of the proposed legislation.

This campaign is presently being implemented with radio and television public service announcements, press stories, as well as the distribution of 10,000 copies of an explanatory brochure.

DRAFTING OF REGULATIONS

As Honourable Members of this House are aware, section 94(4) of the Bill provides that regulations under this proposed law are subject to the affirmative resolution of the Legislative Assembly, that is that we have to bring the regulations to the House in order to put them into effect. In other words, Executive Council cannot pass regulations. We have to bring them to the House to be voted upon.

Drafting instructions in connection with the regulations, as well as other instructive information, were sent to the Legislative Council on 24th May, 1996 to produce these regulations..

There have been calls by the Chamber of Commerce and the Council of Associations, that the regulations should be brought to this House at the same time as the Bill. While Government agrees with this in theory, this is not practical at this time for several reasons: First, it is well appreciated that this Bill is very detailed and lengthy - in fact it contains many provisions which would normally be found in regulations. The purpose of this is to afford the same level of comfort which the Chamber and the public expects to see in important legislation of this kind. The other reason is that the public (and most associations) seemed to have had enough material to review with the various drafts of this Bill. I felt to further inundate them with large volumes of paper in the form of draft regulations at the same time would have been unrealistic and counter-productive, as well as significantly delaying the implementation of this long-overdue initiative. The Pension Bill itself is quite technical, and the regulations are expected to be more so. It is hardly practical to expect individuals other than lawyers or actuaries or others who have expertise or experience with pensions to get much benefit from reading large volumes of technical pension regulations.

Government intends to bring the regulations to this House in September, and hopefully a draft for those people or associations who have an interest or the time to review them prior to September.

ADMINISTRATION/ENFORCEMENT OF THE LEGISLATION

At this point in time my Ministry is making preliminary arrangements and contacts, with a view to establishing the office of Superintendent of Pensions as well as the National Pensions Board. This will be done through the Government.

As mentioned previously, the Human Resources Department is to be restructured with a new unit hopefully to deal with pensions with financial assistance and these other matters. Those arrangements are being made and looked at presently through the staff of the Ministry of which Executive Council will have to decide on. I trust that we will get the support to put this infrastructure in place so as to ensure a smooth transition of the coming into effect and the supervision of the legislation.

In summary, Government, my Ministry, and the National Pensions Plan Advisory Committee are convinced that this legislative framework enjoys the input and scrutiny of a wide cross-section of the public as well as from experts in this field.

The Bill contains progressive and current provisions and also has fundamental democratic principles enshrined in it. The key provisions are:

- Freedom of choice for employers and employees to choose a plan.
- Realistic rate of contribution.
- Flexibility in phasing-in the contribution rate over 5 years,
- Prudent investment guidelines.
- Qualified and reasonable inspectorate.
- Fair rules for vesting and portability.
- Current and sensible safeguards.
- Involvement and participation by all parties.
- Reasonable and clear transition rules for existing plans which do not initially comply with the law.
- Clear and specific law and regulations.
- Very detailed law, and provision for the regulations to be presented to the Legislative Assembly as well.

We sincerely hope that we can bring this matter to its rightful conclusion in the very near future. I trust that those who would wish to scuttle this initiative (for whatever reason) will consider very carefully the alternatives which exist, the dangers that may lie ahead for the economy and the liability of Government's obligations to the elderly retirees if something prudent and fair is not done as a matter of priority. Hopefully in this debate we can put the politics and personal agendas aside and pass this law, work together in completing the drafting of regulations, and move towards implementing this long overdue legislative initiative in a spirit of partnership.

You might hear that this is not good enough, you might hear that we need to have regulations, you might hear that this is going to hurt Caymanians. You will hear all sorts of things. However, as I said in the beginning, this is a giant step forward for the working people in this country who have nothing to look forward to at retirement age. This is one giant step for mankind in these Islands.

Madam Speaker, I have been long. I have tried to express in detail what the Bill covers in different ways. I do thank you for your indulgence and attention, and I do thank Honourable Members for their support in hopefully passing this much needed legislation; and for the support in the months ahead as we work together to overcome the obstacles, for the benefit of the Cayman islands who we are duty bound to serve.

The Speaker: The question is that a Bill entitled, The National Pensions Bill, 1996 be given a second reading. The Motion is open for debate.

The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

The Honourable Minister moving the Motion has certainly been long and comprehensive in his introduction. I note his appeal for a debate which is free of politics and personalities. I can only remark that I hope that he remembers that he himself is as bound and obligated by that as are the rest of us.

There is much which I will have to say, given the Chair's indulgence. I shall try to be as dispassionate and impersonal, and as constructive as I usually am. Be that as it may, there are some charges which were made by the Honourable Minister during his presentation which need some clarification. Perhaps there can be no better point to begin with than the point to underscore that at no time was it ever mentioned, either from a public platform or in the media (in

whatever form) is the preference for those of us in Team Cayman for a Social Security System as against a Pension System. Let me just put that misconception to rest.

There are other areas which I will attempt to clear up and refute as I move along.

It is a truism that culturally and otherwise we in the Cayman Islands, and by inference the Caribbean, have never been peoples who have been as disciplined as we could be, and as we need to be with regards to saving. The speaker does not exclude himself from this observation. What we find throughout modern times is that when we have approached the golden years we have little or no provision to take care of ourselves. History left us with a system of dependency upon our progeny.

This system worked reasonably well until we entered the era of the consumer society with all of its problems of rising costs of amenities, inflation and the myriad of other problems which came upon us. What used to be a moral obligation of sons and daughters to look after the elderly, became more difficult and onerous until we have reached this time where it is well nigh impossible unless we have (by good luck or good fortune) some kind of legacy or inheritance where we could share our resources.

Equally important is the fact that no one in any society whatsoever has been successful in saving through the conventional means (i.e., a bank) account enough money to tide them over during their retirement age. We recognise that while it is good for each of us (and I certainly encourage it, and I am sure that other responsible Members would encourage it too) to have at least one bank account. We have to recognise that the interest earned, that is, assuming that we are able to resist the temptation to deposit it today and withdraw it tomorrow. The interest earned would certainly not be enough to allow us to maintain the same standard of living that we had when we were working, when we retire.

Then too, there is the fact (and I rejoice in this) that lifestyles and health practices being what they are, the majority of us experience longer life-spans. It is not impossible for someone who retires at age 60 to live another 20 years and some even go beyond that. What this means is that any accumulated savings would have to be of a significant amount to suffice one from the age of 60 through age 80. Most of us try to be frugal, but I believe that that would have to be beyond that point to live reasonably comfortably on any such savings account.

It is necessary for us at this point... and indeed, I argue that we are a little late. Although, in the case of doing good, better late than never in trying to implement some sensible system. It is an accurate remark to say that the attempt to implement a pension plan in this setting is nothing short of revolutionary in the sense that it is a new concept which will have to be grasped by the majority of the people. It is revolutionary also in the sense that to be effective and widely accepted we would have to be prepared to have embarked on a massive education programme.

Indeed, some people would describe it as a massive propaganda exercise because we have to sell it to people with whom the concept has not been familiar.

If there is a weakness in what is being presented, it is the fact that a more comprehensive and aggressive and more wide spread education campaign could have been embarked upon. I am not laying blame, but when one is prepared for wide spread consultation, one also has to take into account the fact that to alleviate some of the objections, one

would need to have embarked upon a widespread publicity exercise. This is not peculiar only to events such as the introduction of a pension scheme - but, indeed, to anything which is new. Leaders recognise that there is great difficulty in getting people to accept a new order of things. While there has been some, and there are ongoing public awareness programmes, they could have been more comprehensive and wide spread. I will make some suggestions as to what may have been done as I develop my argument.

I must concur that the effort to provide some sensible system for providing for people upon retirement age is a worthy one. We know that countries which have the social security system seem to have not fared well in recent years. I share the concerns of those people who shy away from a Government-operated system. While it can be argued that there are some positive factors, I think that the drawbacks far outweigh the benefits and advantages.

If for no other reason than there seems to be a popular mistrust now among the public regarding politicians managing and handling these funds. When we consider what is happening in the United States (which everyone uses as a thermometer), I think that it is wise to shy away from any kind of arrangement that is managed by the Government. I see the Government's role as being regulatory. That is not to say that there are no improvements and variations to what is being proposed.

There are many countries of the world which have grappled with this business of the provision of retirement benefits. Some are still in the midst of fierce struggle. One country stands out above all and serves as a model for many other countries in what it has achieved in this regard. That is the country of Chile, in South America.

If there is one thing that the regime of Augusto Pinochet did in Chile when it took over in the 1970s, it was to establish an enviable national pension scheme. It must be borne in mind that this scheme did not just start as progressive, effective an enviable. There were many air pockets, many ups and downs. Perhaps one of the beneficial aspects was the fact that Chile is a moderately sized country population wise, with a high percentage of literacy and (at that time) a buoyant economy with little or not unemployment. Although there was one stage where they went through a rather high and turbulent inflation.

This country now serves as a model for the pension scheme of many countries, both those that are more advanced industrially than Chile, and those who fall under the rubric of developing countries. We in this jurisdiction can learn from their model and their example.

There is another point I wish to make which bears on the international aspect of this problem. It is recognised that events have so changed in the world that it is rather difficult to abide by the same kind of methods one used decades ago to make certain income adjustments.

For example, it is recognised that this whole business of industrial production and the military/industrial complex which fueled the economy of countries has changed by the mere fact that wars are fought differently now than they were years ago. What I mean by that is that wars have evolved to such a frightening and efficient manner now that millions and millions of tons of material is not destroyed as it used to be in the more conventional era of even World War II, or even before that, World War I, when the replacement of this material necessitated thousands and thousands of people put back to work in factories. What happens now? Coun-

tries have developed what they call 'smart bombs' and ultra-sophisticated technology that destroys human life but not the material.

What we have is a concept where once upon a time we could rely on almost continuous employment to maintain and keep a certain economic standard. That is not necessarily the case now because the society has evolved to the point where behaviour has changed, tastes have changed and the very destructive forces of war and strife have changed. That makes it even more necessary for us to arrive at systems where we can sensibly take care of those people who have worked for a great part of their lives under adverse conditions so that they may afford them the opportunity to pass their golden years with some dignity.

For us in the Cayman Islands there is a point which has always concerned me. While it is true that successive Governments have done well in keeping up a kind of welfare system, it is an accepted fact that the welfare state is certainly not the most popular state of affairs in a time like this. Indeed, many politicians get the stick for attempting to maintain a welfare state. Not only will that eventually mean that the tax man will have to hit harder and harder, but there are those who are concerned about what sociologists and others describe as demeaning factors and the inferiority complex that emanates out of someone being deemed as totally helpless and ever dependant on the dole.

It is good that we are trying to get away from a system where people are accustomed to handouts. There is no escaping that some of that exists in the Cayman Islands. There are those who would argue, justifiably or otherwise, that in the last few years this sector of the population has grown.

In instances such as these, it becomes easy for people to accuse those apologists for this kind of system of playing politics and of holding that sector of the population for ransom, particularly during times of election or other events where the popularity or number of people in these programmes would be beneficial to any party or Government in power.

It is good for us to get away from this kind of system to try to introduce a system where people can feel that they have worthily contributed; that when it comes time to take something out of the system they do not have to be dehumanised because they can take pride in the fact that they were equal partners and that they made a meaningful contribution. Whenever the time comes, they can feel proud when they queue up at the bank to cash their cheque, it can be a source of pride.

I remember my grandfather, who during the turn of the century had immigrated to the United States (as did many Caymanians), and returned to these Islands in 1955 after working for 30 years with the Gulf Oil Corporation in Houston, Texas. I can remember being sent, as a young boy, to the Post Office to collect his cheque for him. I recall the sense of pride he had as he enumerated to my grandmother the amount of his contribution both from the Gulf Oil Corporation and from the United States Social Security System.

I have progressed as far as learning goes, because when he wrote the note I did not understand that the spelling 'c-h-e-q-u-e' was pronounced cheque, and I went in and asked for his 'check-queue'.

It is from these kinds of rudimentary beginnings that we look forward to our people progressing and prospering. I

would like to state that I personally think it is fallacious and incorrect, if not downright mischievous for anyone to suggest - let alone issue the challenge - that I at any time said that I was not supporting pensions. What I will say is that being the kind of person I have been, I am not prepared to blindly accept anything without reserving the right to dissent in those sections which I do not agree with, and to also suggest alternatives in those sections which I think can be improved.

Let me hasten to say that this exercise, while it is, as I have described it, revolutionary, and while the Government should expect some criticism, I believe that a stronger public education or public awareness programme would have definitely served the efforts better. cursorily, a two year programme might have had more effect.

I note that what is usually the case in some countries with a Government propaganda system is that a target date for coming into effect is set for about two years down the line. Then the programme of public education and awareness is designed around that. It could be longer, it could be three years, but the programme is designed around that period.

Let us say that it was deemed to have been introduced into the Legislative Assembly on September 1st. That could be described as Pension Introduction Day, then in every little nook and cranny of the community there would be seminars and discussions, there would be presentations as to what this would entail.

The people whom we really need to education are not the employers, as much as it is the employees who will have to understand that the contributions taken from their wages and salaries for the first time is going towards an effort that will yield them immense benefits when they retire.

I have not been around as much as I could have been, but I have been approached by some of the older people who do not seem to understand the concept as clearly as they could. It is true to say that these are the people who are at the greatest disadvantage in that they will have the shortest contribution time before they reap the benefits. These are the people whom we have to take time to educate and be sure that they understand that if they are 50 now, and if they retire when they are 60, they have to be able to be in a position to put something aside. Remember, these people would have presumably been working all of their lives without making any deduction from their wages. They will argue that they have been living all of this time. I make the suggestion that it is unfortunate that a longer public awareness/education programme and time line was not set and that greater use was not made. It is also true that some of the most effective presentations are those which are done informally, moving around, meeting a small group of people and talking to them explaining and allaying fears. I have made no assessment of the education programme and the public awareness programme so please let it be understood that I am not saying that the programme is not effective or will not be effective. I am merely making the point that it could be much more effective if this were done. One has to be reasonably convinced by this in light of the fact of the criticism against this plan when one listens to an advertisement being aired and sponsored by the Chamber of Commerce. The only way that one can effectively counter this kind of anti pension Bill is by an aggressive promotional propaganda exercise of its own. What I am afraid will now happen is that the Chamber's anti pension efforts will be

more effective than the attempt by the Government by virtue of the fact that the Chamber of Commerce always likes to say that they have a corpus of 500 or 700 people.

It is something for the Government, if they deem it constructive, to make a note of. If it is too late for this time, it is certainly something that could be borne in mind, especially in light of the fact that the Government has an information arm, namely, the Government Information Service. I say this with the full realisation that events of a comparable nature, such as when we were converting from the pound to the Jamaican Dollar, this was how the exercise was handled. I think we can learn from these kinds of experiences that we are half way there when we mount a real effective national public awareness programme.

MOMENT OF INTERRUPTION - 4.30 PM

STANDING ORDER 10(2)

The Speaker: Honourable Member, it is now 4.30. I understand that it is the wish of some Members to continue until 5.30. At this time I propose to take a 15 minute suspension if the Minister would move that we go on until 5.30.

The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: Thank you, Madam Speaker.

We propose to continue until 5.30 and I so move that we continue until then.

The Speaker: The question is that the House continue until 5.30.

The First Elected Member for Bodden Town.

Mr. Roy Bodden: Madam Speaker, I wish that the Government would have been considerate enough to have given us some prior notice of this. I have no reason to be uncooperative, but I think that it would have been courteous if the Government had indicated as much to give the person speaking a little time to make some more adequate preparation.

I have to admit that I am caught at a disadvantaged position, and I am not in a position to go on.

The Speaker: Honourable Member, I can only say that I have just been informed by the Government. I do have a commitment, and I propose that, if the majority agree, we take a suspension for 15 minutes. I shall put the question, unless anyone has anything to add to the debate, that the House should continue until 5.30. Those in favour, please say Aye...those against, No.

AYES AND NOES

The Speaker: The "noes" have it.

DIVISION NO. 3/96

AYES: 4

Hon. Donovan Ebanks
Hon. Richard H. Coles
Hon. George A. McCarthy
Hon. W. McKeever Bush
Mr. Gilbert A. McLean

NOES: 7

Mr. D. Dalmain Ebanks
Mrs. Berna L. Murphy
Mr. D. Kurt Tibbetts
Capt. Mabry S. Kirkconnell
Mr. Roy Bodden
Miss Heather D. Bodden

ABSENT:

Hon. Thomas C. Jefferson
Hon. John B. McLean
Hon. Truman M. Bodden
Mr. John D. Jefferson, Jr.
Dr. Stephenson A. Tomlinson
Mrs. Edna M. Moyle

The Speaker: The result of the division is three Ayes, seven Noes. Accordingly the House will not continue until 5.30.

**NEGATIVED BY MAJORITY: MOTION TO SUSPEND
STANDING ORDER 10(2) TO ENABLE THE HOUSE TO
SIT UNTIL 5.30 PM DEFEATED.**

The Speaker: I shall now ask for a motion for the adjournment of the House until tomorrow morning.

The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

ADJOURNMENT

Hon. W. McKeeva Bush: I ask that the House now be adjourned until 10.00 tomorrow morning.

The Speaker: The question is that this Honourable House do now adjourn until 10 o'clock tomorrow morning.

Hon. W. McKeeva Bush: Madam Speaker, I should say that we plan to go through with the continuation 10th July, 1996 Hansard 63 of the debate tomorrow morning on this Bill.

The Speaker: Has that been the decision of the Business Committee?

Hon. W. McKeeva Bush: They were certainly asked. I do not know whether they discussed it, or where it reached. That is what I asked them to do.

The Speaker: The question is that this Honourable House do now adjourn until 10 o'clock tomorrow morning. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until tomorrow morning at 10 o'clock.

**AT 4.33 PM THE HOUSE STOOD ADJOURNED UNTIL
10.00 AM THURSDAY, 11TH JULY, 1996.**

**EDITED
THURSDAY
11TH JULY, 1996
10.06 AM**

The Speaker: I will ask the First Elected Member for Cayman Brac and Little Cayman to say prayers.

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 II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Order. Proceedings are resumed.

Presentation of Papers and Reports. The Water Authority of the Cayman Islands Annual report 1995.

The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

PRESENTATION OF PAPERS AND REPORTS

WATER AUTHORITY OF THE CAYMAN ISLANDS ANNUAL REPORT 1995

Hon. W. McKeeva Bush: Thank you, Madam Speaker.

I beg to lay on the Table of this Honourable House the Report of the Water Authority of the Cayman Islands for 1995.

The Speaker: So ordered.

Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Thank you, Madam Speaker.

I am pleased to report that 1995 was another very successful year for the Water Authority, as the company strengthened its financial position by reducing its operating costs and expanding its revenue base. Both Government and the Authority are well aware that the costs of basic services, such as drinking water and proper sewage disposal, must always remain within the budget of all people in this country. The Authority will strive to remain a lean and competitive organisation in order to provide good and affordable services to its customers, and to generate capital for the expansion of services. The Authority's major accomplishments in 1995 are as follows:

- ◇ Significant expense reduction was achieved in 1995 by refinancing a portion of the Authority's long-term debt. This undertaking included repayment of a multi-currency loan from the Caribbean Development Bank using funds from a new loan with Canadian Imperial Bank of Commerce (CIBC).

This Caribbean Development Bank loan was signed by Government in December 1985 and provided the equivalent of \$5.7 million in a basket of currencies for construction of the West Bay Beach Sewerage System. Under the CDB loan agreement, principal repayments commenced in June 1991. However, by December of 1990 the balance of the loan had grown to \$6.1 million because of world currency fluctuations. This represented an increase of \$456,000 over five years. By the end of 1994 the loan balance had swelled by another \$235,435.00 due to world currency fluctuations. By June of 1994, it was clear that the Authority needed to stabilise its long-term debt which has been impacted by a further decline in the United States dollar in the world market.

Several local banks were asked to submit proposals for refinancing the Caribbean Development Bank loan. Canadian Imperial Bank of Commerce and Trust Company was selected by the Water Authority Board in September 1994, and after extended negotiations between Government, the Authority, and CIBC, the loan agreement was signed in late February 1995. Repayment of this loan and conversion of this portion of the Authority's long-term debt to US dollars has assured that the Authority will no longer be faced with burdensome foreign exchange losses and has significantly improved the cash flow of the Authority over the next five years.

The new loan with Canadian Imperial Bank also provided additional capital for construction of the Lower Valley Reservoir Project which is currently very near to completion.

- ◇ Additional operating expense reductions were achieved by restructuring the Authority's long-term water supply contracts. In early 1995 it was apparent that Central Diesel Limited was unable to provide sufficient quantities of water to meet the terms of their contract. The Authority determined that it would be in the best interest of the country to secure a more reliable source of water and that substantial savings could be had by negotiating an upgrade to the existing Ocean Conversion Limited water plant which was the Authority's primary water supplier at that time. An amended contract was signed with Ocean Conversion in February 1996 and it is forecast that the Authority will save approximately \$4.5 million over the next six years on water production costs.
- ◇ The Authority expanded its projects department in April by adding equipment and manpower to construct extensions to the water supply and sewerage systems. The Authority recognised soon after the completion of the Bodden Town Water Supply Project in 1994 that provisions must be made to continue expansion of its service areas in order to keep pace with the rapid growth of the country. In the past, the Authority had contracted out construction work of this nature to specialised companies that imported labour and equipment from overseas. However, it was determined that it would be more cost effective and practical to continue pipeline construction using in-house resources.

I am pleased to say that several new jobs were created and were filled by Caymanians who have been fully trained to carry out this work. The projects department brought in a respectable amount of revenue from developers who contracted with the Authority to install water mains in new sub-divisions. Members will recall that it has always been the policy of the Water Authority to provide water in all areas, even in sub-divisions.

Also of key importance to the expansion of the projects department was the return in 1995 of two young Caymanians from University in the United States to work with the Authority as Civil Engineers. Mr. Troy Whittaker returned to work in January after having completed a Master's Degree in Environmental Engineering at Stephens Institute in the United States. Mr. Anthony Reid returned to work in June after having completed a Bachelor's Degree in Civil Engineering at the Florida Institute of Technology. A third engineering graduate, Mr. Clement Reid, returned to work with the Authority just last month after also having completed his Bachelor's Degree in Civil Engineering at the Florida Institute of Technology.

Training for each of these young engineers was fully sponsored by Government and the Water Authority. Also in 1995 the Authority sponsored the Deputy Director, Mrs. Gelia Frederick-van Genderen, during her post-graduate work which involved an analysis of the Authority's sewerage treatment works in order to identify ways

in which to improve the operation of the works. As a result of her thesis, Mrs. van Genderen was awarded the degree of Doctor of Philosophy by the University of Surrey in the United Kingdom.

Madam Speaker, as the Minister responsible for development of this country's work force, I am indeed pleased to be a part of an organisation like the Water Authority which has anticipated the future needs of this country and has made significant investments in time and money to train Caymanians in engineering.

- ◇ The Authority commenced construction of the Lower Valley Reservoir and Pumping Station in February 1995 which has been designed to supplement pumping from the Authority's main water plant off of North Sound Road in George Town. The new facility will ensure that sufficient water and distribution pressure is available to all areas of Grand Cayman through the end of this century.

Phase I of the project consists of a 1,000,000 US gallon bolted steel reservoir and a pumping station. Provisions have been made on the site for a water production plant which will go out to competitive tender early next year and for an additional 3,000,000 gallon of water storage.

The Authority is very pleased with the high quality which was done by the contractors on the project, including Florida Aqua Store, Arch and Godfrey Construction, and Precise Construction.

The Authority purchased the Reverse Osmosis Plant in Cayman Brac which had previously been owned and operated by Ocean Conversion under a five-year water supply contract with the Authority. The Plant was completely rebuilt by Ocean Conversion Limited prior to purchase and is expected to reduce basic operating costs in Cayman Brac to a point where the operation will fully pay for itself. In addition, the Authority negotiated with Ocean Conversion Limited to improve the water quality which the Plant provided to match that distributed in Grand Cayman.

The Authority has received many good comments from Bracers about the improved water taste. Two Caymanians, Mr. Burnstein Banks, and Mr. Cantrell Scott were fully trained by Ocean Conversion Limited and now operate the state-of-the-art water production plant.

As a statutory organisation the Water Authority is charged with protection of water resources in the country and exercises regulatory power over a number of independent water producers and operations related to sewage disposal. Several improvements were made in the areas of water resources management in 1995 including closer monitoring of ground water used by expanding agricultural operations in East End, and closer regulation of several independent water producers through issuance of water production and supply concessions by Government. The Authority also worked closely with the Department of Environment to assess the potential threat to ground water from two fuel spills which occurred in the George Town area from the Esso Terminal

and the Texaco Station on Walkers Road. This happened last year. The Authority continues to review all major developments during planning stage and makes recommendations to the Central Planning Authority regarding water supply and sewage treatment.

The Authority's focus and planning for the future includes preparation of a comprehensive Ten-Year Development Plan for Water and Sewerage Infrastructure which addresses the anticipated water and sanitation needs of Grand Cayman and the Sister Islands throughout 2005. While reviewing this development plan, I found myself reflecting on the Authority's many achievements over its relatively short life of 12 years. In 1983 the Authority was established to protect the country's water resources and to provide public water supply and sewerage. This happened while Mr. Haig Bodden, now deceased, was responsible for the Authority. Shortly after its creation, the Authority prepared a Ten-Year Development and made many recommendations which are now a reality.

In 1983 proper sewerage treatment and disposal in the West Bay Beach area was seen to be vital to the protection of the country's beaches and marine environment. It was also envisaged that a piped-water system would be constructed in George Town and would eventually extend to all districts of Grand Cayman. Today we have a sewerage system which serves the West Bay Beach area and properly treats the waste water generated by our many tourist facilities before it is discharged into the environment. In addition, all of George Town, Bodden Town, and West Bay now have access to wholesome piped water.

It is not hard to imagine how the course of development of these islands could have changed had Government and the Authority not possessed the foresight to take vital steps in providing proper water supply and sewerage infrastructure for the expanding populace of the Cayman Islands.

In May 1993 the second Phase of the Bodden Town Water Extension was completed which provided piped water from Savannah through Northward. Government gave approval for continuation of the piped water system through Pease Bay. A new and expanding pumping station for the public water supply system was completed and commissioned in July 1993 which increased the distribution pressure and provided better and more reliable service to water customers.

West Bay Sewerage System pipe rehabilitation was completed by a specialised contractor from the United States which repaired leaking sections of sewer gravity in the main. This work has saved the Authority over \$35,000 per year in electricity costs for pumping saline ground water which had been infiltrating the sewerage system through the leaking pipes.

The West Bay Water Supply project was completed by Cayman Water Company in September 1993 under the terms of a licence which was issued by Government. I can only say that there is sometimes a lot to be desired by the quality of water coming from there in West Bay. Government is looking at that.

In May 1994 Phase III of the Bodden Town Water Supply Extension was completed which brought piped water from Northward through Bodden Town and up to Midland Acres. A new agreement signed with Ocean Conversion which expanded the production capacity of their plant on Red Gate Road to 4,000 cubic meters per day and replaced expensive electrical-driven pumps with diesel-driven units.

The Authority's Management staff was restructured and a Caymanian Acting Director and Deputy Director were appointed to Head the Authority. The Authority's investment in expansion of the water supply began to pay off as additional revenue was collected from new customers in Bodden Town. The Authority's net profit doubled from 1993 figures.

Now, in 1996, I am pleased to announce that the Authority has completed the design of an extension from Pease Bay through Breakers to the Frank Sound Road, and construction will start on the 20th of August this year (that is next month). I fully support continuation of this extension through the district of East End and it is hoped that most East End residents will have access to piped water before the end of 1997. The construction of the system will continue into East End.

To complement the many successful projects which have been completed, the Authority's financial growth over the past four years has been laudable. In 1995 the Authority collected revenue totalling \$8.9 million, an increase of 46% over 1992 figures. In addition, the Authority's net profit has increased from \$740,000 in 1992 to \$1.5 million in 1995 which is an increase of 110%. Careful technical and financial planning, as well as prudent spending have paid off in a big way. Very few countries (and I would like Members to note this) in the Caribbean region can boast of a water and sewerage corporation which makes a profit, and fewer yet which have performed as well as the Cayman Islands Water Authority, in service to the people.

It is important to recognise that a public utility, and in fact any organisation which serves the people, must never become complacent and should endeavour to meet the challenges of the future with planning and preparation. The Cayman Islands continue to experience growth and prosperity, and I am very happy to say that the Water Authority continues to meet the challenges of this growth.

Madam Speaker, I would like to take this opportunity to publicly say a word of thanks to my colleagues who supported in Council on any matter regarding the Water Authority; to the director who took over at a very difficult time when the Authority was under investigation; and to the Board members - I would take time if you permit to name them - Mr. Harry Chisholm, Mr. Brainard Watler, Mr. Otto Watler, Mr. Jerry Wood, Mr. Phillip Hydes, and Mr. Richard Flowers; also members from the Environment Department and member from the Finance Department. These Board Members are very studious, they work with the Authority and have given significant service to these Cayman Islands.

I would also like to compliment the staff of the Authority without whom we could get nothing done. This is from the road man who shovels the dirt and who gets into the pit to the technical advisors. They have all done an excellent job as this Report bears out. I offer my thanks and that of the entire country on behalf of the Government to them all.

Thank you very much, Madam Speaker.

The Speaker: Thank you.

The Third Interim Report of the Select Committee of the whole House to Review a Register of Interests for the Legislative Assembly and a Code of Ethics and Conduct for Legislators.

The Elected Member for North Side, Chairman of the Committee.

THIRD INTERIM REPORT OF THE SELECT COMMITTEE OF THE WHOLE HOUSE TO REVIEW A REGISTER OF INTERESTS FOR THE LEGISLATIVE ASSEMBLY AND A CODE OF ETHICS AND CONDUCT FOR LEGISLATORS

Mrs. Edna M. Moyle: Madam Speaker, in accordance with Standing Order 2(5), I beg to lay on the Table of this Honourable House the Third Interim Report of the Select Committee of the whole House to Review a Register of Interest for the Legislative Assembly and a Code of Ethics and Conduct for Legislators.

I would ask Members to make one correction. This is the "Third Interim Report", and not the "Third and Final Report".

The Speaker: So ordered.

The Elected Member for North Side.

Mrs. Edna M. Moyle: Thank you, Madam Speaker.

The Select Committee of the whole House established to Review a Register of Interests for the Legislative Assembly was appointed by the Legislature on the 9th day of June, 1994, upon the passing of Private Member's Motion No. 11/94. On the 7th day of December, 1994, the Legislature passed Private Member's Motion No. 29/94 entitled "Code of Ethics and Conduct for Legislators". The motion resolved "**That the House refer the matter of legislation for a Code of Ethics and Conduct for legislators to the Select Committee reviewing a Register of Interests for consideration as companion legislation.**" With the passing of both of these motions the Select Committee's terms of reference was to make recommendations to the Honourable House in regard to both a Register of Interests and a Code of Ethics and Conduct for Legislators.

The motion was moved by the Second Elected Member for Cayman Brac and Little Cayman, Mr. Gilbert A. McLean MLA, and seconded by the First Elected Member for Bodden Town, Mr. Roy Bodden, MLA. The Committee comprised of all Members of the Legislative Assembly.

The Committee has thus far held 13 meetings: 20th July, 1994; 25th August, 1994; 7th December, 1994; 13th April, 1995; 10th May, 1995; 21st September, 1995; 30th October, 1995; 27th November, 1995; 25th March, 1996; 1st April, 1996; 8th May, 1996; 31st May, 1996; and 25th June, 1996.

The Committee has also held three informal discussions where notes were taken. On the 10th and 24th of August, 1995 and on the 29th of April, 1995.

In accordance with the provisions of Standing Order 72(1) the Committee tabled in this Honourable House two interim Reports, one in 1994 and the other in 1995. On the 26th August, 1994, the Committee in accordance with its terms of reference invited the public to participate in the Committee's work by way of making written and oral representations. The public received up to the 14th of October, 1994, to respond to the Committee's invitation.

The Committee received one letter of representation from Mr. Colin A. Panton, a former member of the Legislative Assembly and an Associate member of the Commonwealth Parliamentary Association of the Cayman Islands Branch. The Committee wishes to express gratitude to him for his views. The Committee also received a request from the Chamber of Commerce to make oral representation, but the Chamber failed to appear before the Committee.

The Committee had before it various documents including (1) the House of Commons United Kingdom Rules and the Registration and Declaration of Financial Interests - October 1993; (2) the House of Commons United Kingdom Register of Members Financial Interest Form; (3) the House of Commons United Kingdom First Report of the Select Committee on Members' Interests ordered to be printed, 4th March, 1992; (4) the House of Commons United Kingdom First Report of the Committee on Standards in Public Life, Chairman Lord Nolan presented to Parliament - May 1995; (5) the House of Commons United Kingdom Parliamentary Debate - *Hansard* 18th May, 1995, on the Nolan Committee on Standards in Public Life; (6) Legislation from the Turks and Caicos Islands, Jamaica and Barbados; (7) Papers and Report of the Select Committees established in 1989 to Review a Code of Ethics and Conduct for Legislators; (8) papers from the Society of Clerks entitled "Declaration of Interests"; (9) Answers to the Questionnaires, including Australia (Federal Parliament), New South Wales, Northern Territory of Australia, Queensland, South Australia, Tasmania, Victoria, Western Australia, Canada, Manitoba, Yukon, Saskatchewan, Bermuda, Isle of Man, India, Lok Sabha, Uttar Pradesh, Jersey, New Zealand, Singapore, United Kingdom House of Commons, and Zambia.

Recommendations for The Register of Interests Bill: Section 53A of the Cayman Islands (Constitution) Order 1972, makes provision inter alia for the establishment of a Register of Interests for the Islands. The Committee agreed to recommend to this Honourable House that a Bill giving effect to section 53A be drafted and presented

to the Legislative Assembly, a copy of which forms part of this Report and is attached.

Section 53A (1) of the Cayman Islands (Constitution) Order 1972 states that: **“There shall be a Register of Interests for the Islands which shall be opened to the public. The register shall be maintained by a Registrar who should be appointed and may be removed from office by the Governor acting in his discretion.**

(2) It shall be the duty of any person to whom this section applies to declare to the Registrar for entry in the Register of Interests such interests, assets, income and liabilities of that person, and of such other person or persons connected with him, as may be prescribed by law.

(3) A person shall make a declaration under subsection (2) of this section upon assuming the functions of his office and at such intervals (being no longer than twelve months) as may be prescribed by law.

(4) This section applies to all Members of the Legislative Assembly and the holders of such other offices (except that of Governor) as may be prescribed by law.

(5) A law may make provision for giving effect to this section, including the sanctions which may be imposed for a failure to comply with subsection (2) or (3) and, notwithstanding any provision of Part III of this Constitution, the sanctions which may be imposed may include the suspension of a member of the Legislative Assembly from sitting therein for such period as may be prescribed by law.”

It is recommended that the proposed Register of Interests Bill provide:

- (i) for the establishment of a Register of Interests of Members of the Legislative Assembly, as well as journalists reporting on the meetings of the Legislative Assembly;
- (ii) That the following persons be required to register:
 - The Elected Members of the Legislative Assembly.
 - The Speaker.
 - The Chief Secretary.
 - The Attorney-General.
 - The Financial Secretary.
 - The Registrar of Interests.
 - Candidates nominated for membership of the Legislative Assembly.
 - Journalists reporting on the meetings of the Legislative Assembly.
- (iii) that each year Members and journalists will be required to make a declaration of their interest with the first declarations being made in respect

of interests existing on the date of the commencement of the proposed recommended Law. The declarations will be made to the Registrar appointed by the Governor for the purposes of the Bill under section 53A of the Cayman Islands (Constitution) Order, 1972.

- (iv) that the interests that will have to be declared under the Bill include details of directorships and shareholdings, employment, financial sponsorship, foreign travel relating to official duties not paid for by the Member and income derived from property. Relevant parts of the declaration will be required to include these details for a Member's spouse and children.
- (v) that the Register will provide for the disclosure of the interests of Members of the Legislative Assembly and will be open for public inspection. The Registrar will be subject to the provisions of the Confidential Relationships (Preservation) Law (1995 Revision).
- (vi) that a Member of the Legislative Assembly may be suspend from the Assembly for failing to comply with the Law, but only after a Report of the Standing Committee on the Register of Interests has been debated by the Legislative Assembly and it is satisfied that the Member has failed to comply with the Law.

Recommendations for a Code of Ethics and Conduct for Members of the Legislative Assembly: The Committee recommends to this Honourable House that a decision regarding a Code of Ethics and Conduct for Legislators will be taken following this Report which recommends the Register of Interests Bill being laid on the Table of the Legislative Assembly.

Recommendations to amend the Legislative Assembly standing Orders (Revised): The Committee further recommends to this Honourable House that the Legislative Assembly Standing Orders (Revised) be amended to make provision for the establishment of a Standing Select Committee on the Register of Interests. It is recommended that the Chairman of the Select Committee move a Motion following the tabling of this Report in this Honourable House, to provide for the insertion of a new section 73A.

Before I move the adoption of this Report, I would like to thank all Honourable Members for assisting me in bringing this Register of Interests to a close, as I understand that Executive Council has approved the draft Register of Interests Bill. It will be brought to this session of the Legislative Assembly. Under the same Standing Order 72(5) I move that the recommendations contained in this Report be adopted.

The Speaker: The Third Elected Member for Bodden Town.

Miss Heather D. Bodden: Madam Speaker, I beg to second the motion.

The Speaker: The question is that the recommendations of the Select Committee be adopted. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The Report has been adopted.

AGREED. THE THIRD INTERIM REPORT OF THE SELECT COMMITTEE (OF THE WHOLE HOUSE) TO REVIEW A REGISTER OF INTERESTS FOR THE LEGISLATIVE ASSEMBLY AND A CODE OF ETHICS AND CONDUCT FOR LEGISLATORS BE ADOPTED.

The Speaker: I wish to thank the Chairman and the Members for the numerous occasions on which they have met to deal with this business, probably 16 occasions. Thank you very much.

Questions to Honourable Members and Ministers. Question number 106, standing in the name of the First Elected Member for Bodden Town.

QUESTIONS TO HONOURABLE MEMBERS/MINISTERS

QUESTION NO. 106

No. 106: Mr. Roy Bodden asked the Honourable Minister responsible for Education and Planning to provide a breakdown of the money paid to Cayman Airways Limited by Government since June 1994.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, the answer: As the House is aware, Cayman Airways Limited was in serious financial difficulties for several years prior to 1993. It was clear to all that the Airline could not continue to sustain massive losses and expect Government to pay the Bills.

In 1993 the down-sizing of the Airline was begun, as a result of which the Airline received a new lease on life. Government's commitment of our National Airline was:

(1) to recapitalise the Airline with a once-off investment by injecting the approximately \$20 million which the previous Government authorised, but was unable to raise because of the previous Government's bad credit record; and

(2) to continue to subsidise the Airline through an annual subsidy of CI\$4 million.

The annual subsidy of CI\$4 million was paid quarterly during 1995 and the first two installments of the 1996 subsidy were paid in the first half of 1996.

It is very important to remind this House that this Government did not simply hand the US\$20 million to the Airline's previous management to further squander, as was done with the US\$12 million profit from the unfortunate sale of the B-727 aircraft in 1989 - every cent of \$12 million was gone within a year. On the contrary, the Financial Secretary sat down with the Board of Directors and the new Managing Director and agreed how the US\$20 million would be spent. Every dollar was spent on past debts. Not one dollar was available to the new Managing Director as working capital.

I remind the House of this sorry episode in our history because the feeling may exist, or it may be implied, that this Government wasted another US\$20 million plus on Cayman Airways Limited. Not at all, Madam Speaker, this Government simply used the money to pay debts it inherited from the previous Government in order to restore the badly tarnished image of these islands and saved Cayman Airways Limited from imminent liquidation.

With regard to the annual subsidy of CI\$4 million, it is worthwhile looking at what the Government and people get in return. Firstly, it helps keep a vital part of our island's infrastructure alive.

Cayman Airways Limited provides and ensures continuity of access to and from these islands when the Pan Am's, United's, LACSA's, BWIA's and Eastern's of this world suddenly pack up and leave. It shuttles tourists to the United States of America when a hurricane is approaching and brings many travel agents free (FAM trips) to Cayman at the Tourism Minister's request.

In addition, Cayman Airways Limited pays hard cash to many Government agencies. In 1994 this was approximately CI\$1.93 million and in 1995 it was approximately \$2.09 million, and these monies are PAID - not like the old days before I took over, when they accumulated as bad debts. So you can see that half the annual subsidy comes back to Government in various ways. Furthermore, Cayman Airways Limited injects almost US\$10 million in the local economy by way of salaries paid to Caymanians.

Even though we now have the best Cayman Brac and Little Cayman service we have ever enjoyed, we are working hard to make it even better. In 1994 Cayman Airways carried 11,500 passengers from the United States to the Brac. The airline did not charge for the Grand Cayman/Cayman Brac/Grand Cayman portion of this travel specifically so that the Brac economy would not be at a disadvantage compared with Grand Cayman.

Finally, I would like to say that Cayman Airways Limited has lived within its subsidy. It pays all its creditors in good time. It continues to provide good employment. Its long suffering and loyal staff have finally seen three increases in salary and the Cayman community can once again take pride in Cayman Airways.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Can the Honourable Minister say if there is a specific area within the operations of Cayman Airways for which the subsidy is earmarked?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, no. The subsidy goes to the company and the company then subsidises places such as the Cayman Brac route and, for example, if there is a hurricane we would do one way flights from here say to the United States or Jamaica, if it was necessary to take people out from here and the airline would fly back with no one on it. So there are many ways in which the subsidy is used.

I would like to point out again, that \$10 million per annum goes to Caymanians in the Cayman economy, very little comes from any of the other airlines to the Cayman economy.

The Speaker: The next question is number 107, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 107

No. 107: Mr. Roy Bodden asked the Honourable Minister responsible for Education and Planning what action has Government taken towards the implementation of Private Member's Motion No. 27/94 - Fair Competition Act.

The Speaker: The Honourable Minister for Education and Planning.

DEFERMENT OF QUESTION NO. 107

Hon. Truman M. Bodden: Madam Speaker, this question has been asked of me, however it is a question that does more appropriately fall under commerce and trade for the Honourable Minister for Tourism and Aviation and Commerce. I would please ask if this could be held over to be answered by that Honourable Minister probably within another few days or so.

The Speaker: Thank you, Honourable Minister. I think that is reasonable if the Honourable Minister is prepared to answer it.

The Honourable Minister for Tourism, Aviation and Commerce.

Hon. Thomas C. Jefferson: Madam Speaker, I am prepared to answer it.

The Speaker: Thank you. Question number 107 will be deferred until a later sitting.

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

AYES.

The Speaker: The Ayes have it. The question is accordingly deferred.

AGREED: QUESTION NO. 107 DEFERRED UNTIL A LATER SITTING AND WILL BE ANSWERED BY THE HONOURABLE MINISTER FOR TOURISM, AVIATION AND COMMERCE.

The Speaker: The next question is number 108, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 108

No. 108: Mr. Roy Bodden asked the Honourable Minister responsible for Health, Drug Abuse Prevention and Rehabilitation what the current status of the proposed Health Insurance Scheme is.

The Speaker: The Honourable Minister responsible for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Thank you, Madam Speaker. The answer: In the November 1995 sitting of this Honourable House, I tabled a draft Bill for a Law relating to the Provision of Health Insurance. At that time I invited comments and suggestions from Government Departments, private sector organisations and individuals in our community. Subsequently, I met with a number of organisations who invited me to hear their views and I received substantial written input on various aspects of the draft Bill. My Ministry combined the oral and written responses and, based upon this, instructed the Legislative Counsel to amend the Bill and produce regulations to accompany it.

The resulting revised Bill and the draft Regulations have been reviewed and accepted by the Health Insurance Advisory Committee. The revised Bill has now been sent to Executive Council for its approval to be submitted to this Honourable House for debate. In addition, I am pleased to say the draft Regulations have been submitted to Executive Council for approval and I intend, with your permission, Madam Speaker, to table them as a discussion paper during this present session, with a view to bringing them back for debate in a later session of this Honourable House.

The Speaker: That concludes Question Time for this morning.

Suspension of Standing Order 14(3). The Honourable Minister for Education and Planning.

SUSPENSION OF STANDING ORDERS (Standing Order 14(3))

Hon. Truman M. Bodden: Madam Speaker, I beg to move the suspension of Standing Order 14(3) to allow the continuation of the debate on the second reading of the National Pensions Bill, and it is with the agreement of all Members of the House.

The Speaker: The question is that Standing Order 14(3) be suspended in order that Government Business have priority today (which is scheduled for Private Members' Motions)

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

AYES.

The Speaker: The Ayes have it. Standing Orders are accordingly suspended.

AGREED. STANDING ORDER 14(3) SUSPENDED TO ENABLE GOVERNMENT BUSINESS TO HAVE PRIORITY OVER OTHER BUSINESS.

The Speaker: The Second Reading debate on the National Pensions Bill, 1996.

The First Elected Member for Bodden Town.

GOVERNMENT BUSINESS

BILLS

SECOND READING

NATIONAL PENSIONS BILL, 1996

(Continuation of debate thereon)

Mr. Roy Bodden: Thank you, Madam Speaker.

At the conclusion of the yesterday's sitting, I made the point that it is my observation that efforts such as the introduction of a National Pensions Bill need promotion on a large magnitude scale. It must be recognised that we are introducing a new concept. Indeed, I described it as revolutionary, and there is going to be the need for large scale public awareness, not to mention the fact that we have to deal with detractors and those who oppose the introduction.

As a result of this effort to introduce a national pension there has been a coming to the forefront of an allied debate regarding the state of the public sector pensions. It is a well known and accepted fact, that the Civil Service Pensions Fund is grossly under funded. Indeed, yesterday morning during Question Time in answer to a question posed by myself, the Financial Secretary answered that the Government has recognised the need to address this pension liability. Accordingly, in 1993 he engaged the services of the Wyatt Company to carry out an actuarial review of Government's pension liability. The Financial Secretary went on to provide more detailed elaboration as to the Government's plans.

It would seem more palatable and acceptable if the Government was in a position where their pension plan had been better organised. I think it would be easily acceptable, this whole notion of a National Pensions Bill, but there is another side to that coin, which is: can we afford to wait until the Government's pensions fund is properly organised before we set in motion efforts to address the National Pensions Fund? That could be adequately described as the sixty-four-million-dollar question.

My own position is that while it would be the ideal, I do not believe we can afford to wait. So I have come to the conclusion that while the two could be developed simultaneously, it would perhaps be in the best interest to keep them separated for at least ten years until they have reached maturity. I must say that I will have reluctance to merging the Civil Service Pensions with the National Pension Scheme because there are what I would call some significance differences. I recognise that while the objectives are the same, the civil servants have too many circumstances peculiar to them to risk merging their pensions with a National Pension Scheme which has not yet been allowed to develop.

It is also recognised that it will take from about five to ten years before we can iron out some of the stitches and hitches in a Pension Scheme. Even in a society and an economy as small and seemingly insignificant (comparatively speaking) as the Cayman Islands, it has to be recognised that there will be some differences which are unavoidable. I am not saying that a merger cannot work. I am merely stating my position. I would be happy to see the development take place. I did not make any dogmatic statements that it cannot work. I said that I would like to see them develop before there is a merger, certainly for my own satisfaction.

There is no doubt arising from this effort that there has been much concern raised by many elements of society. The Chamber of Commerce has kept up a running dialogue expressing concern, if not opposition, to what is being proposed by the National Team Government as a National Pensions Bill at this time. It seems as if the Chamber has premised one of their major opposing points on the fact that they said the Bill is significantly different from the draft proposal. They have claimed that some things that were in the draft proposal have been left out.

I make the point to say that while some opposition and concern may be dismissed as merely of nuisance value, we cannot assume the position that we can ignore these concerns or that we should not take them into consideration. I think that it has to be recognised that the Chamber of Commerce, as a special interest group, has their own plan. So we have to accept that there is a certain amount of bias in their opposition. But then we could also say that other elements and other individuals who oppose also have certain biases for whatever reasons.

It behoves us to try to examine the points of concern raised (and the opposition points) and see to what extent, if any, these positions can be accommodated. It strikes me that it is still not too late to continue a dia-

logue. The Chamber has been on this business since the 30th of May when they, in an issue of the *Caymanian Compass*, made comments on the National Pensions Bill. I have to say as a reader that article that much of what they said is legitimate, and I will gradually move individually into some of the concerns that they raised.

In today's *Caymanian Compass* they have a full-page advertisement entitled "A message - an appeal to all workers in the Cayman Islands". I do not believe that anyone expected that a move such as this would not come without some opposition or concern being raised. The constructive approach would be to look at these concerns in light of what has been proposed and try to see if an amicable situation can be arrived at. Certainly, one would not expect the whole effort to be changed, but one can reasonably expect some attempt at accommodating and taking these concerns into consideration.

One of the points the Chamber of Commerce has raised is the whole question of the absence of regulations. This has to be taken seriously because it is in the regulations that the specifics of the operation will be articulated and described. So it has to be viewed as a set back, an obstacle of sorts, in that there are no accompanying regulations.

Out of interest, Madam Speaker, I note that the Honourable Minister with responsibility for Health, Drug Abuse Prevention and Rehabilitation stated in his answer to my recently asked question that he will be bringing a draft Regulation when he brings the proposed Health Insurance Bill. So it seems to me that someone on the National Team realises that regulations are an important and integral part of Bills. I must say that I welcome his consideration with appreciation, and look forward to reading the Regulations with the accompanying Bill. That will certainly make matters more acceptable.

The point has also been ably drawn out by the Chamber of Commerce that some aspects of the proposed Pensions Bill are discriminatory. I would have to agree because there are provisions in the Bill - exemption for some persons recruited from overseas for up to two years. This exemption calls into question a number of things, not the least of which we as legislators hear perennial complaints from Caymanians about - problems in the work place; Caymanians finding it difficult to get jobs, Caymanians being passed over in favour of those from outside the jurisdiction. So this provision will certainly not make it easier for Caymanians to be looked upon favourably. Indeed, I have to express my surprise that it appears in a Bill being brought by the Minister who likes to remind us that he has the best interest of Caymanians at heart. Perhaps it is an oversight which will be corrected. I look forward to the Minister's comment, especially since he has gone on record time after time, touting himself as the champion of the Caymanian worker. I am afraid he will stand to lose his reputation if he does not correct this gross anomaly.

There is also the concern of the discretionary authority given to the Superintendent of Pensions or the Pensions Board to take action including the unrestricted authority to fix fees. At the beginning, at least, care

needs to be taken and we need to tread very carefully to ensure that any authority exercised is not only understood, but that authority is accepted and appreciated. What we do not want to happen is for the very people we are purporting to help to become turned off because they believed they are being run over rough-shod, and that they are being taken advantage of.

It is my experience that in far too many cases discretionary authority is abused. This is particularly important because for many of these people with whom we are dealing (many of them) this will be a new and unfamiliar concept. Care must be taken to educate them and make them aware of every move that is made. I have reservations about unrestricted authority by this Board and the Superintendent to fix fees.

It is my understanding that all pensions are based on three important concepts: the Plan, the administration of the plan, and the investment of the funds. We have heard discussed here two options, a Defined Benefit, and a Defined Contribution. Defined Benefit Plans are common enough, and it is my understanding from those whose wisdom and knowledge I sought, that while these plans seem attractive care has to be taken because they are the most susceptible to certain things.

Indeed, in the Sunday 30th June issue of the *New York Times* newspaper there was a section in the "VIEW POINT" column dealing with pensions. It was written by a James H. Smallhouth, entitled "Why our pensions must be made portable". He was speaking (writing, of course) about what is happening in America. But, as is often the case, knowledge and experience are transferable, and we can stand to benefit from the concerns and experiences of people in other jurisdictions. He starts the columns by saying: **"Millions of Americans will never get their monies' worth from their pensions because in a very crucial way, the nation's pension system is hopelessly backward. Workers covered by traditional Defined Benefit Pension Plans can lose as much as 90 per cent of their pension wealth as a result of routine job changes or termination of their plans because there is no accounting for the corrosive affects of inflation."** I am going to pause there because it is a good time to mention something else.

We in the Cayman Islands should recognise that a significant percentage of the people this Pensions Bill should be designed to protect will be seasonal workers, who could accurately be described as being transient; whose jobs in the construction or the hospitality industry depend upon a number of things. It is a recognised fact that among this category of workers there is a high turnover - people change jobs frequently. In many cases (I would like to believe in most cases) they have to do that in order to stay employed. So that leads me to make the point that we have to ensure that we have built into this some grace period for when these people may have to be unemployed through no circumstance of their own, perhaps for as long as four to six weeks until they can get another job. Also, we have to ensure that they will be covered if they have to take a job at a wage or salary

that is lower than the previous wage. I say that because it is not an easy exercise catering to this type of person.

I make what I consider another significant point as a result of this: There is a school of thought which promotes the idea that such a plan as this would have been more effective were it phased in, giving ample time to assess these kinds of effects and circumstances.

Under the Defined Benefit Plan, in some jurisdictions there is also the notion that while the workers contribute on a regular and ongoing basis, the employer is not really bound until the time comes for the draw down of the pension. In these cases and under these circumstances the danger is (as does sometimes happen) that the employees are disadvantaged because the employers' portion may not be forthcoming because of any number of circumstances including bad business practices, bankruptcy or liquidation, litigation or whatever. So while there are many types of defined benefit plans, that defined benefit plan in which the employer is not obliged to come up with contributions until the time of draw down should be discouraged and frowned upon. I am not saying that that is the proposal, I am just using the theoretical argument that we should shy away from those kinds of plans because what we are trying to seek is an ideal situation in which the employee is guaranteed protection.

This plan, the Defined Benefit Plan, according to this author is most susceptible to the corrosive effects of inflation because, he says, **"When pension coverage ends the earnings benchmark used to determine benefits is frozen and inflation can then whittle down those benefits to almost nothing at retirement."** I am going to talk later about inflation as it relates to the proposed Pensions Bill in the Cayman Islands, but I wanted to make that point.

The Defined Contribution Plan, as far as my understanding of it goes, is my plan of preference because it is easier to manage, it is easier to explain and to sell, and it is safer because the provisions for participation are clearly set out and outlined, and can be explained in very simple and non-threatening ways. That is the kind of route we have to take with this Pensions Bill. So having established the two possible alternatives or components of a plan, I want to move on to speak about the administration.

Administering the Pension Plan is just as important as the type of plan we have, if not more so. I would like to emphasise that one of the reservations I have about what is proposed in this National Pension Bill is that it has too much scope for individual plans. While I recognise the universally accepted phenomenon in Capitalist countries, that competition is good, when we come upon something like this some screening must be done. My reading and interpretation is that it is possible for many plans to exist under these proposals. Some guidelines need to be set regarding the administration of the plan, as I am going to show later that if we get a system where the administration fees eat significantly into the investment, and administration fees rise significantly each year, those people, particularly at the lower level of

the spectrum will be at great risk that their investments may not be as effective or as much as it could be at retirement. Some of these administration fees, according to my understanding, can be quite significant, especially when we talk about audits, reports, assessments and that kind of thing. So there is a need to arrive at what is a basic administration process and attempt to put some costs to that and monitor it closely to see that it does not eat into the funds. Therefore, the whole effort does not become counterproductive. Such is the role for the Board set up by the Government as a watchdog.

I want to come now to perhaps the most important point: What is to be done with the funds collected or the third component of pensions, as I understand it, the investments? It is safe to say that the management, the investment of these funds, is by far the most important aspect of this whole exercise. I make the point again that the reason why we attempt to provide pensions for employees is because we recognise that saving in the normal method as we know (that is, putting it in a bank account even if we were to escape the inevitability of drawing out monies on some occasions) and saving consistently from the time we started working, say from age 20, until we retire at age 60, would not be enough to suffice in our retirement. So the way these funds are handled and invested has to be of crucial importance. I want to pause here to make a significant point. I have great and serious reservations about commingling, that is, mixing the funds.

Certainly, people who are now at age 50 should be encouraged and educated to treat their funds differently from persons who are just entering the work force at age 20; the reason being that if some funds for those people who are at age 20 can be invested in a more bullish way (if we want to stick strictly to the money market jargon) than for someone who is at the age of 50 (because at age 50 according to the projections we are dealing with is ten years away from retirement), of course you would be better advised to be a bit more conservative in your investment effort. Someone who is at age 20 should be in a better position to take risks if they want to play the stock market which goes up and down because the history of the market is such that certain stocks have never consistently fallen - they rise and fall. So it is my understanding from investment analysts that for the whole pattern of investment in pension funds to be effective, it must differ according to the age group and category that those funds come from. Indeed, commingling (the term that was used to me) usually puts the older members of the work force at a disadvantage.

I am going to say a little more about investment and the kinds of things that should be attractive later. One of the concerns I have with what the Chamber of Commerce proposes is exactly this business of commingling, not to mention that we also should avoid conflicts of interest. I want to take the time here to underscore what I consider an important point. The administrator(s) of these funds must be separate and apart from the people who are responsible for the investment. We should not have the administrators being responsible for the in-

vestments. The investors should be accountable to the administrators whose business and job it is to monitor the investment; and to provide reports, assessments and accounts to the pensioners. I would not want to see a system where the administrators are also the investors. I think that there is a weakness in that system. The whole business of accountability would not be as sharp as it could be.

My preference would be for the investment to be handled by professional people, people whose business it is to do just that, and who have a reputation. They would be better advised to say, "Well, here is what is available based on the information, here is what we recommend." Then too, I would not want to see the administration made up of employers because that is a conflict of interest. In any kind of difference, disagreement, confrontation, the employee is not going to be in an advantageous position. So I would like to see the administration made up of people who can quite accurately be described as having no conflict of interests.

I am aware that some of the plans offered around here at this time have the administration made up of employers. While they claim that the Government plan has some weaknesses, their plans also have weaknesses which they need to rectify.

The Speaker: Would the Honourable Member take a suspension at this time?

Mr. Roy Bodden: Thank you, Madam Speaker.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.36 AM

PROCEEDINGS RESUMED AT 12.17 PM

The Speaker: Please be seated.

The First Elected Member for Bodden Town continuing.

Mr. Roy Bodden: Thank you, Madam Speaker.

Concluding the observation I wish to make on investment of these funds, I wish to make the point that investment of the pension fund must take into consideration the fact that life spans are increasing. It is my understanding that people who retire at the age of 60, in jurisdictions such as ours, can quite realistically expect to live to reach their late 70s, indeed, some make it into their 80s. So this is another reason why it is very important that these funds, particularly from those persons who enter the work force at later years, be so invested that they can realise enough returns to last until it is time.

The disadvantage to the elderly people in the work force is exactly that the investment cannot be carried out in growth options which are put in equity-oriented funds carrying considerable risks, because, of course, these kinds of funds often fluctuate. It would be ill-advised if for

someone who has ten years until retirement contributions were invested in a high-risk/high-yield fund which had to suffer through some period of fluctuation before it eventually yielded the expected returns. For these kinds of persons the option might be some kind of cash-fund or fixed-income option where the risks would be less, but there would be some growth, nevertheless. The problem is that the yield might not be sufficient to keep up with inflation.

To conclude, it is of crucial importance that the investment of the funds be done properly in order for the benefits to be as ideal as they should be. In arriving at that point, consideration must be given to the life expectancy and the average life span of persons in our jurisdiction. I say that also to say that it will then have to be the responsibility of the regulatory authorities to ensure that these kinds of considerations are taken in order to protect the pensioners and the beneficiaries. So the job of the Government as a regulating body is not an easy one indeed.

I would have been happy if some account was taken as to the short-term effects of such an exercise. I have to return to the point I made earlier, that in these kinds of exercises one must have an effective awareness and education programme. The Compendium of Statistics suggest that there are about 16,000 people working in these islands. If we are to assume that the average income is \$35,000 per annum, it would mean that a total of \$560 million is paid out each year in salaries. If we take 10% of this amount, then half of that to represent the five per cent which is contributed by the employees, that would be \$28 million per annum.

Now I posit that in the short-term this is bound to have some upsetting effects on our economy. Remember that we are an economy which is basically made up of hospitality sector, the banking sector, with the construction sector contributing significantly as well. It is an inescapable conclusion that this contribution of five per cent by the employer is bound to affect the costs of goods and services. Under the *laissez faire* Capitalist System that we live, these people are going to have to recoup this money. So the most logical way, perhaps the easiest way, is to tack it on to the goods and services. I was speaking to one contractor who suggested to me that the costs of the services he provides would escalate by about 20 per cent as a result of this. So in the short-term we are bound to experience some inconveniences.

The employee, remember, will be contributing five per cent. So his pocket, to express it figuratively, will be shortened by five per cent. Remember now, this five per cent is not something that he or she will be able to see. This is not something you put it into the bank today and can go and draw it out tomorrow if the need exists. He or she is not going to be able to get this until down the line. So at a rough calculation it is my opinion that we are going to feel the effects of an inflation rate of anywhere between seven and ten per cent. We have to get the contributors to understand this. We have to prepare them for this. We have to let them understand that they

have to make a short-term sacrifice for the long-term gain.

What we have not heard from the Government in bringing this Bill is if they have taken into consideration this fact, or, indeed, if they believe that this is an expectation - if this is going to happen. Let us not forget also, Madam Speaker, that we will have a Health Insurance Bill under similar circumstances. Remember too, that we had a problem when the insurance providers raised the property insurance rates; people were complaining. That was a serious problem. That problem was not as widespread as this is going to be because that problem only affected people with property on which they had insurance. These effects will be considerably more widespread.

The question was posed: What do I suggest? It is not for me to suggest what is to be done. I am not bringing the Bill. I am saying that what needs to be done is for the public to be made aware that they can expect these things and to prepare them for it. If it is not made clearly understood, that, too, will be a deterrent.

To express my concern in another way, I am saying that there needs to be some kind of preparation or awareness programme so that people can understand these things. When they are confronted with the situation, they can say, "Oh, yes this is the result of this. Well we were told to expect that, but ten years from now this is how we are going to benefit. This is where we are going to be."

Remember, too, that there is no minimum wage. I come back to this notion: there is an argument proposed by some special interest group about gratuities forming a part of one proposed pension plan. Now all of this, I would think, fuels the importance of the matter which I just brought up. If someone is going to suggest that the workers in the hospitality industry contribute a portion or all of their gratuities towards the Pension Plan, then someone had better begin preparing them for the reasons why they should work so assiduously in what they are doing when many of them have come to see the gratuities as the most immediate reward.

Given the magnitude of funds involved, it then becomes even more crucial for the regulation and administration of these funds. We will be talking about economies of scales when we talk about workers putting in \$28 million per year. Even at my rudimentary stage of economics, I know that it does not take many years for that to add up to the multi-millions.

(Inaudible interjection)

Mr. Roy Bodden: I am glad the Honourable Minister raised that point because that is the point I am coming to.

The Speaker: I would ask Honourable Members, please let us have no discussions across the floor.

Mr. Roy Bodden: We have to screen those entities that would handle these funds to ensure that they are safe at all times.

I have been approached by many people who said, "To tell the truth, we understand some concerns that people have against the Government, but we would feel better if the Government was handling our money. At least we know we could vote them out every four years if they were not doing the right thing with it." So I am happy to be able to say that there are still some people out there in the public who have the confidence in their elected representatives to say that they would not feel badly about them handling their funds. Tongue-in-cheek aside, Madam Speaker, it is imperative that such an amount of money be managed by the most capable persons, if for no other reason than to see that the returns realised on the investments are that which meet the expectation of the people who contribute.

I would have been happy to have seen the Health Insurance Scheme implemented first and been given a chance to work, then have a Pension Scheme. But in all candor, one must realise that the hour is late and time is going, personal preferences play little or no part in what should happen for the benefit of the country. I can only say that the Bill has some shortcomings that need to be addressed. Its essence lies in the fact that it serves as a starting point - a long needed starting point. Certainly, I can only, on this occasion, speak for myself. If we do not begin we will never complete the journey. We have to realise that even those countries with established Pension Plans have taken years to get their plan, not to perfection, but to an acceptable position. So I would caution anyone who expects to bring a plan, or that any plan brought will be perfect.

I can say that I will be listening to hear how the concerns that I have articulated will be addressed, if they will be addressed. I also warn against anyone adopting the position that this vision is the vision of the anointed. Madam Speaker, while the employees will benefit from a pension scheme, what is proposed has to be reworked. In that realisation, it is necessary to listen, perhaps do some redrafting, but above all, to keep an open mind. Thank you.

The Speaker: The Member for North Side.

Mrs. Edna M. Moyle: Thank you, Madam Speaker.

I did not intend to speak on this Bill because I felt that the Honourable Minister piloting the Bill had given an in-depth explanation as to how the National Pensions Scheme would work. I have one concern as a member of the Committee and that was to do with the membership (that is, who will be provided with a pension). I refer to persons working in these islands for a period of less than two years. I feel that these persons should also be included. There will have to be some exemptions, I am sure, but I have discussed this with the Honourable Minister and it is my understanding that it is his intention to bring an amendment for this section of the Bill. I would like to thank him very much for agreeing to bring an amendment to this section.

Since I am on my feet, I would like to say that much has been said within this Chamber and outside concern-

ing regulations. I, too, would have liked to have seen regulations brought with this Bill. But the Honourable Minister explained the reason. If I remember correctly, I think he said that these have been with the Legislative Council since May. Had it waited, with the amount of work that the Legislative Council of these islands has to do to bring this Bill, we probably would not have the Bill nor the regulations before this Honourable House is prorogued in September.

Everyone seems to agree that the National Pension Scheme is a necessity - that it needs to be brought about. But if the Honourable Minister did not have the guts to bring the Bill to this session, with the understanding by the general public that it is his intention to bring the regulations as soon as they are prepared, perhaps we would end up with nothing for our people.

I clearly understand what he has said concerning the civil servants not being included in the National Pension Scheme at this time. I commend him for that. The Civil Service has had a Pension Scheme for a long time. We have heard that it is under-funded, but we also heard the Honourable Financial Secretary say that it is his intention and the Government's intention to look into this matter. I agree that the civil servants should be given every opportunity to say whether they would like to remain as they are, or whether they would like to come under the National Pension Scheme.

I offer my full support to the Honourable Minister on the Bill for A Law to Provide for the Establishment of a National Pension System. Thank you.

The Speaker: Proceedings will be suspended until 2.30 PM.

PROCEEDINGS SUSPENDED AT 12.44 PM

PROCEEDINGS RESUMED AT 2.44 PM

The Speaker: Please be seated. Debate continues on the National Pensions, Bill, 1996.

The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker.

I rise to offer my short contribution to a Bill for a Law to Provide for the Establishment of a National Pension System. For many years we have heard of a National Pension Scheme to be introduced into these Islands. Several years ago the former Minister who was responsible for Health (the Honourable Ezzard Miller) brought a proposal which was unacceptable. This was carried from district to district and from one meeting to another. While not listening to the public on the many things that he did not listen to, we did not get a pension law - a law that was for the people and one that the people wanted.

I am sure that this National Pensions Bill that is being presented here today is not acceptable to everyone in these islands. But, again, nothing is carved in stone. Ever since the Honourable Minister presented this, he

has had consultation; he has listened to the people, and is now proposing this Bill here today.

The First Elected Member for Bodden Town mentioned that none of us really knows anything about pensions. I am sure we will all agree that even the workers, especially the workers in these islands and the employers, do not fully comprehend what a pension scheme entails. However, it is very important. Through you, I appeal to all workers in these islands to meet with their employers in an effort to understand the benefits that will be derived from a pension scheme. Individuals do not fully understand (and this I know is the case having 43 employees. We personally do not have a pension scheme because when we proposed it the majority of them did not want to contribute their half as proposed, with us putting in the other half. They just felt that with the cost of living they could not afford it. This is why it is very important that all workers understand the benefits. They might not reap the benefits today, but it is the long-term benefits that a pension scheme is there to provide.

I must commend the Minister and his Ministry for the brochure presented in layman's terms so that the average individual can understand. The scheme is fully explained in the brochure. It is a beautiful brochure, and if there are more questions I am sure that individuals can contact the Ministry as stated on page 12. Not many individuals would take the time to prepare this, like the former member who did not prepare anything in there respects. So I commend the Minister for this brochure.

The system recommends that it is just regulating and that is all this is, a regulatory body. It is up to employers to provide a pension scheme; to find a carrier to provide pensions. It is suggested here that it be shared - five per cent by the employer and five per cent by the employee. In the beginning the five per cent is not required, it is only those who are 45 years and older who are required to contribute the five per cent in order to bring up their pensions.

I, too, shared with the Honourable Member on my right just yesterday, how it is frightening when we think about the age of 60. Just in another 14 years I will reach that age. To think that we can participate in a pension scheme, I am not sure if that is something to look forward to age-wise, but it is certainly good to know that this Law is before us now.

(Inaudible interjection)

Mrs. Berna L. Thompson Murphy: I am not scared. They are ribbing me, Madam Speaker, of giving away my age. There is not much anyone can do about their age, we just live with it and go on.

Mention has been made of the public sector fund - that it is very under-funded. I agree with this. However, in the question that was asked yesterday by the First Elected Member for Bodden Town, to which the Honourable Third Official Member responded, I was pleased to see that a Committee has been established to look into the chances of the public sector fund being included into the National Pensions Scheme. Again, the civil ser-

vants will be given the opportunity to decide if they would like to have their pensions scheme included in the National Pensions Scheme that is being proposed in this Bill. They will decide by poll, I am sure, and will be given that opportunity. It will not be rammed down their throats like the former member who proposed a pension scheme several years ago was so intent on doing with his scheme. That is why we never actually go a pensions law until this present one.

In today's *Caymanian Compass* there is a full page advertisement by the Chamber of Commerce. I would like to address some of the points that are made in this paid advertisement regarding the proposed National Pensions Bill. Here it says that **"it is wrong that section 94 gives ExCo the power, selectively to exclude anybody that they choose from the protection afforded in the proposed Law."** (*Caymanian Compass* 11th July, 1996). This is not what is in the Bill. Section 94 was in the proposed bill, but it is not included into the National Pensions Bill that is before the House.

A pension is an individual's right, and no right thinking Executive Council, whether present or future, would even think about taking away an individual's pension. They have worked for it. They deserve it. They have earned it and they have every right to it. No reasonable individual would think of taking away an individual's pension.

It was mentioned that it is wrong to pass a law and then to make up the Regulations later on. The proposed law contains over 100 references to provisions to be spelled out in the Regulations. The law cannot be fully understood in the absence of the Regulations. I am so pleased to learn that this Bill was studied and they found over 100 references to the Regulations. This proposed bill has been circulated well over six months and as a representative of the people, I receive one telephone call regarding this bill. So I am happy to see that someone did study it and found all the references regarding Regulations.

The Honourable Minister shared with us that the Regulations have been in the Legal Department from May of this year (and this is not the first time that regulations were not provided with a Bill when it was presented here in this Honourable House). Just this year, as a matter of fact, we received the Regulations for the Traffic Law that was passed in 1991. But to say that it is wrong.... Regulations will be presented.

In the National Pensions Scheme that is being proposed, it is just a regulatory body. Like the Minister said, similar to a banking inspector, the insurance inspector or any other regulatory body that the Government has established - it will be just that. It is saying that employers and employees will work together jointly to provide a pension scheme so that all employees will have a pension when they reach the age of 60 (which they are entitled to and have every right to and no one can take it away).

Moving on further in the advertisement, it says, **"It is wrong for the proposed law to deny to the Civil Service the protection it provides other workers in the**

Cayman Islands". The Honourable Third Official Member assured us that the only pension scheme in the Cayman Islands for many years has been the Civil Servants' Pension Scheme and that civil servants are provided a pension. It is under-funded, but I am happy to hear that it is being addressed. There is an option that civil servants will have the opportunity to decide if they would like to come under the National Pensions Scheme.

It says: **"It is wrong to deny pensioners and contributors their democratic right to participate in the decision-making process for any future revision of the law."** This is what we have representatives for. A referendum was taken. I think the Honourable Minister addressed that yesterday. If something is wrong, contact the representatives. This Bill is not going to have amendments to it every week or every year, but until the scheme is up and running there will be amendments. But to say that the contributors' democratic right is taken away for any future revision of the law is not correct. All revisions would have to come before this Honourable House to be made. To print this is very wrong and misleading.

The lady Member for North Side (whose was the previous speaker) mentioned the foreign workers who have been working in these islands for less than two years. We discussed this in the Common Room with the Honourable Minister yesterday, and said that we felt that it was discriminatory. He was quite willing and said that in the Committee stage he will bring that amendment.

If one is working here there is no reason why one should not pay into a pension scheme. I think it is unfair to ask temporary workers of one month and up to six months because I am sure they will move on, but if they become permanent, as a foreign workers in these islands, I see no reason why they should not be included in this scheme. The Minister has said that he will consider this proposal in Committee stage as an amendment.

I think we should be grateful to the Minister for this so that discrimination does not arise where Caymanian workers could be left out because employers would take the foreign workers over the Caymanians because they would not have to provide a pension. As you know, in any system there are ways it can be beaten. I am sure there would be some employers who would try to do just that a create more problems.

I am pleased that individuals will have something to look forward to in their "golden years" as stated in here. There are many elderly individuals in our islands. I was very much aware of this before being elected, but since being elected I am even more aware of it, especially in the George Town area. The previous concept of Caymanians taking care of the elderly... with the cost of living and being single parents, it is very difficult for them to do so. Just this morning I received a telephone call from an elderly lady who is receiving about \$600 per month in pension. She is responsible for an aunt who is almost 80 years old. There is no way they both can survive off of \$600. These are some of the situations that

we find, even though on a \$600 pension she cannot feed three individuals and meet her other needs. So I am very happy that Cayman will have a pension scheme for all workers.

For many years we have heard about a pension scheme. I believe that this is workable. There will be many problems. I am sure amendments will have to be made. Until all the problems are worked and the scheme is functioning properly, then there is no reason why amendments cannot be made. They will come forth. I am happy to support this system.

Thank you, Madam Speaker.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Thank you, Madam Speaker.

Like so many in the public, I welcome this National Pensions Bill. This legislation, in my opinion, is one of the most important pieces of legislation that the House has dealt with during the four years.

I would like to begin by congratulating the many people who have worked so hard to make sure that this is being presented to Parliament for discussion in this session. I would also like to congratulate the Committee that was formed. The Honourable Minister was the chairman and Mr. Mario Ebanks was the secretary. A lot of hard work was involved, research has gone into the compilation and formulation of this bit of legislation. The Member for North Side also served on that Committee and I think it is very important that she be thanked and congratulated for the work she did. The Legal Department certainly deserves some praise for the work that it has done.

This piece of legislation comes in some people's mind a bit late. I have heard that comment from many members of the public that we should have had this legislation in place a long time ago. We know that others have tried to put a National Pensions Scheme in place and have failed. They have failed for many reasons. This Government is going to succeed in putting a national pensions scheme in place which all and sundry agree is so badly needed for almost everyone in this country. Some people have argued that they do not need to save towards their pension because they have the capability of making profitable investments and they can be absolutely confident in the fact that they will have enough money in the kitty for retirement. What I say to those people who have such entrepreneurial spirit is, at least they are assured that if they invest in this pensions scheme they will get eight per cent return. I know of many instances when entrepreneurs have invested in many schemes and have gotten far less than eight per cent. If they have so much money, then I would encourage them to contribute to the scheme. At least they can be assured of an eight per cent return on their contribution. The small contribution relatively speaking, that they will be investing towards their retirement is almost negligible.

A brochure is being circulated, and this is extremely commendable, this is good public relations. It is being circulated at a time when it is not too late or not too soon. This subject is very current and prominent in people's mind at this point in time. This brochure is very well put together and will answer most of the questions the public would like answered about the Pensions Scheme that is being launched. It explains what a pension is. Most of us know what a pension is, but it certainly begins at the right point. It goes on to talk about what the Pension Law does.

I think to avoid any confusion in the minds of the public, at this point - not that it has not been pointed out before - I would like to stress the point that this Pensions Scheme will not be Government-operated. There have been people who have tried to spread misinformation, perhaps they were not informed. I will give them the benefit of the doubt. But it has been told to many members in the public that the Pensions Scheme would be Government-operated similar to schemes that are operated in the United States of America, Jamaica (closer to us) and many other countries. The social security, the familiar social security-type system that most of us are familiar with. Research was done, there was much public inquiry into this also, and it was decided that this was not the way to go forward in the Cayman Islands. All factors being considered, it is wise to have a privately operated pension scheme regulated - and I stress - regulated by Government.

It is very important that Government regulate the Pensions Scheme to ensure that all the existing Pension Plans come into line with law and provide the necessary benefits that they purport to claim, that an inspectorate is put in place that whenever there is a problem appeals can be made to that inspectorate and it is handled properly.

Social Security Schemes, the Minister pointed out (and this is common knowledge) are just not working. This is one of the big problems that the United States Government has to face at this point in time. All of us who listen to political debate from that country are very aware of the problems it is experiencing - trillions of dollars that are now owed to the citizens of that country, and there is no money in the kitty, nor in the near future, to pay the social security benefits that have accrued.

There are many reasons why this may have occurred, nonetheless being the fact that at times these monies were not earmarked for the purposes of pensions and governments, unfortunately spent these funds on other projects (recurrent and capital etcetera). They now find themselves in a position where the demand is there but the money is not.

We will not be experiencing this problem at a national level at any rate, by the mere fact that this Pensions Scheme will be operated by the private sector. Insurance companies, I am sure, will operate and offer pension plans. Some corporations might even have their own, but at any rate the pension plans will be operated by private entities. Reinsurance will be the order of the day to ensure that in the event of bankruptcy people will

be ensured that their pension contribution benefits that have been made will still be there, and upon retirement various benefits are available to them.

We have been told that anyone between the age of 18 and 60 years of age who is working is eligible to join the pension plan and any person working in this country over two years is also eligible. I would encourage those people who are working here and who are not Caymanians to join the pension plan. I believe that the pension contributions that they will make will be fully transferable to foreign pension schemes that exist. Even if they are Government-operated, I am sure the cheque can be sent to the particular government which they fall under upon returning home. This money will never be lost because the Law insists that the person is eligible for the benefits they are entitled.

No one in their right mind would try to argue that it is an unwise thing to have a Pension Scheme in place to ensure that the Government and relatives are not unduly burdened when the elderly ones among us come to that age when they retire and need funds to continue to subsist. That has got to be good practice.

We live in a time when it is even more important. Some persons among us in the past were eligible for Social Security by virtue of the fact that they lived in the United States, then there was the Maritime Union and pensions often came from other sources. I believe that these sources of pension funds are beginning to dry up, therefore it is very important for us to look after ourselves here in the Cayman islands. It is very mature that we do now.

Government is often accused of the lack of long-term planning. This is an excellent example of long-term planning; planning for the future generations. I feel proud to be part of a Government that has this foresight.

Many people have asked: How much will I have to contribute to my pension? That is very well explained in the brochure, and it has been explained by previous speakers. We know that up to a maximum earning of \$60,000 you can contribute five per cent which will be matched by the employer. So it is a total of ten per cent that will be contributed towards an individual's pension. That is to say, if a person is earning \$60,000 per annum they will contribute \$3,000 and the employer will contribute \$3,000. So \$6,000 per annum will go towards their pension.

The Government in all its wisdom has made allowance for a grace period of about six months, during which time employers can make sure that every employee (including themselves) is enrolled in a pension plan; a further five years in which to make sure that the contributions reach the five per cent level. I think it is very wise, when we are launching a scheme of this magnitude, that we have this grace period and the five year period to make sure that everything goes in place effectively and smoothly.

People who are getting on in years and are over the age of 45 are being encouraged to contribute as much as they possibly can find towards their pension. That is a very important point that is made and probably will be

stressed more by employers and even Members of Government. We can do our part to show them why. If a person is 45 years of age and contributes \$4,000 per year towards their pensions (that is, they have an annual income of say \$40,000, of which \$4,000 is five per cent), the employer will contribute five per cent. They will have a retirement fund of \$127,000 plus and be entitled to a monthly pension of \$1,124.00. This is based on the life expectancy of 74 years or thereabout. If that person cares to double the contribution, that individual will be entitled to \$2,251.00 per month in pension. That is over a 15 year period. They will have to make a sizable contribution towards their pension in order to be entitled to this sort of monthly pension.

A different set of circumstances exists if a person is joining the scheme at a younger age, say 18 or 20 years old. They will have a long period of time to contribute towards their pension. They can contribute less, if they so desire, and end up with a reasonable pension. Of course, with inflation one wonders whether that amount of money will be significantly different - dollar for dollar.

If a person is 50 years of age and the normal retirement age is 60, they will only have ten years to contribute to their pension. If an annual contribution of \$5,000 is made, they would only be entitled to \$681.00. Some people are pointing out that this is a weakness in the plan. But what I have said over and over is that despite every Member of this Government and everyone in the country wanting to see each person have a reasonable pension upon retirement, we cannot have our cake and eat it too. Everything costs. Unfortunately, I do not believe that the purporters of this scheme have been able to come up with a system that entitles such individual to more than this amount. I cannot think of a system that can do it either, unless we are going to give away money. Therefore I am not going to complain about it. If the person doubles that amount they will be entitled to a monthly pension of just over \$1,300 per month.

The point that I am making is that it would suit people who are close to retirement age to make sizable contributions. Make the sacrifice if they want to receive good monthly pension benefits upon retirement, it is going to be important that they make a sizable contributions. There is no getting around it, that is the only way that they will have a reasonable monthly pension to live on.

A person who joins the plan at 18 years of age and has 42 years to contribute can make an annual contribution of \$1,800 per months and still get a monthly pension upon retirement of \$8,146. That looks good in this day and age. A similar case is for persons joining at the age of 25 and contributing for 35 years making approximately \$6,000 per month. This is a good pension scheme.

I have firsthand knowledge of the Chamber of Commerce Pension Scheme because I am an active member. I have to contribute \$9,000 per year to get a reasonable monthly pension upon retirement at the age of 60. That is exactly how much I have to contribute. I joined the pension scheme when I was 44 years of age.

So I will leave that for people to work out. It is quite a significant contribution that I have to make.

I believe the Government's pension scheme compares favourably to, if not better than, the one operated by the Chamber of Commerce and I certainly will be joining it.

(Inaudible interjection)

Dr. Stephenson A. Tomlinson: Well, I have to or else I will be in breach of the law when this is passed.

I have highlighted the fact that this is going to be privately operated and that the scheme will have reinsurance.

At this point, I would like to highlight a few other very vital ingredients of the law regarding continuation of benefits under successive employers. There are individuals who are concerned that if they move from one employer to another they might lose their pension benefits. There is absolutely no need for that worry or concern because the Bill ensures that they are entitled to their continuing benefits. The funds that they have contributed beforehand will certainly be there for them. So there is no need for that anxiety and apprehension.

It is very important that we in the Cayman Islands do our endeavour best to retain a very strong economy so that the funds that we are repaid upon our retirement are hard currency. This is a concern. I remember when I was approximately 20 years of age, I took out a life insurance policy in Jamaica. I soon realised that the best thing for me to have done was to convert that life insurance policy to a Cayman Islands' policy. That has saved me much worry and headache. Today, I am entitled to the same benefits in the Cayman Islands dollars that I was entitled to when I took it out. Of course, my contribution remained the same.

I do not think that this is an immediate worry for those of us in the Cayman Islands - the worry of devaluation. But it is something that is always lurking in the back of our minds.

I would like to point out a section that deals with benefits under the Pension Plan which appears in clause 30, it says: "**A member of a defined benefit pension plan that is continued or established after the date of the commencement of this Law shall be entitled at his normal retirement date to a minimum annual pension equivalent to 1.5 percent of his pensionable earnings for each year that he shall have been in membership of that plan subject to a maximum of 40 years membership.**" I understand that if the person's pensionable earning is \$60,000 per annum he is entitled to a minimum benefit of \$75 per month. I am concerned about that section. I know that minimum is "minimum", but when we are setting the minimum we better be more realistic than that. I would like us to take a fresh look at that to decide whether that percentage should be corrected.

Much work has gone into arriving at this Pension Plan. I have perused it in great detail, and have read it at least five times. It makes adequate provision for the ma-

majority of things that will be necessary - deferred benefits, benefits in the event someone changes employment, benefits in the event someone dies before retirement, passing on benefits to beneficiaries, and the list goes on. I am quite content that this is a beginning and it is a very good beginning. There will be, as we have heard, reasons to amend the Pensions Law as situations arise in the future. But the way it is being set up, I could not agree more. I believe we are going in the right direction. With the exception of that minor point that I mentioned, I am completely happy with the proposed Pension Bill as it is compiled and reads.

Our people have much to gain by contributing towards their pension. This country will be more stable. There will certainly be more restful minds as a result of this. Where we have these spin-off benefits, it can only be a good thing. So I wish that the launching of this scheme will be smooth and that it will be successful and we will all benefit from it.

Thank you.

(Pause)

MOTION THAT THE QUESTION BE PUT

Mr. Gilbert A. McLean: Madam Speaker, I beg to move that the question now be put.

The Speaker: I am afraid I am going to have to refuse to do that because there are other Members, I am sure, would be contributing to the Bill.

Mr. Gilbert A. McLean: They are standing over in the alleyway, looking through the door into the Chamber, Madam Speaker.

The Speaker: The First Elected Member for Cayman Brac and Little Cayman.

Capt. Mabry S. Kirkconnell: Thank you, Madam Speaker.

I rise to make my contribution on A Bill for a Law to Provide for the Establishment of a National Pensions System. I would like to congratulate the Government on bringing this Bill to the House. It is unfortunate for the country that this was not done many years ago. Had it been a bill of this nature enacted when our country began to develop as an offshore financial centre, all people at retirement age today would have benefits upon which to retire. Unfortunately at that time we relied on pensions from outside territories which are not of sufficient amounts, because of the increased in cost of living. Today many of those people are having a hardship. Some are being helped in some way by financial assistance from the Government.

It is important that we say to the public, through you, Madam Speaker, that although this pension scheme will be established, it will not be a cure-all. We must still provide for our senior years. We must not depend on what we will be able to derive from this scheme even if we start at a young age, will be all that will be needed. We

will have to make other investments and secure for the future. This should be the basis of financial security in the senior years, but certainly not to be relied upon entirely.

As I have said earlier, it is really unfortunate that it had not been established much earlier, but nevertheless it is better late than never.

I would like to also congratulate the Honourable Minister for Community Development, for the comprehensive way in which he explained the Bill in the Second Reading. It gives very little to be debated. He did an excellent job in pointing out what the amendments are that he will make at a later stage. They are of much comfort to me. I see the need for those.

There seems to be a lot of controversy on the outside concerning whether the Government pension should be included. Madam Speaker, the civil servants are fortunate inasmuch as they have a pension scheme. If and when this proposed pension scheme is up and running and it can be amalgamated, I feel confident that it will.

One concern that I have regards the management of these individual pension funds. Do we have protection? That the investment made for these pension funds are made in hard currency, preferably the United States of America dollars, which in my opinion, although, at the present time is not the highest currency, it is the most stable. With our currency being tied to the United States Dollar it will give us added security.

Many of us in my age group remember quite clearly when the Jamaican dollar was our dollar and when we changed to the Cayman Islands dollar we were on par with the Jamaican dollar. All of us today know the difference in the ratio of our dollar to the Jamaican dollar. It just seems to be continuously getting larger and larger. So it is important that the companies that are entrusted with these funds make substantial investments.

We hear of bad investments being made by some of the large Pensions Fund in the United States which create problems. It is my hope that this will be monitored very closely.

Madam Speaker, people are also concerned about the inflation rate in cost of living. This is a percentage of people's earnings and in any country wages will have to increase as inflation increases. So the contribution by employer and employee will also increase so that the money that is contributed to the scheme will enable the pension indexed to the cost of living.

As we go forth with this, it has been said that persons coming here on a temporary basis will be excluded. I am glad that the domestic group will be excluded for the time being. It is quite obvious that if someone has a person who they have a lot of confidence in, they can certainly establish a pension fund for them. It does not mean that it cannot be done, it just means that it is not compulsory. So we are not actually excluding domestic, if someone wants to open up a pension fund, include them in their pension scheme, that can be done.

In closing, I would like to say that nothing we do in this Legislature is cast in stone. Certainly as time goes

on we will see where amendments can be made and amendments will be necessary. I am confident that the Government will make the necessary amendments as they are required. With these words I support the Bill.

The Speaker: If no other Member wishes to speak on the Second Reading of the National Pensions Bill, would the Honourable Minister for Education and Planning wish to move that the debate be deferred.

(3.34 PM)

Hon. Truman M. Bodden: Madam Speaker, the meeting that we had with the Business Committee was merely to reserve the Right of Reply for the Minister on Monday, because he is off to a funeral this afternoon and will be off the island tomorrow. I want to make sure that my understand is correct, that the only Member who will speak would be the reply by the Minister.

The Speaker: Yes, since no one else wishes to speak. It will be the Honourable Minister to wind up then on Monday. Would you move the motion, please?

MOTION TO DEFER THE WINDING UP OF THE DEBATE

Hon. Truman M. Bodden: I so move, that the winding up debate by the Honourable Minister for Community Development moving the Bill be taken on Monday.

The Speaker: The question before the House is that the reply to the Second Reading debate on the National Pensions Bill, 1996, by the Honourable Minister for Community Development will take place on Monday at the resumption of the House.

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

AYES.

The Speaker: The Ayes have it.

AGREED. DEBATE ON THE SECOND READING OF THE NATIONAL PENSIONS BILL, 1996 DEFERRED UNTIL THE RETURN OF THE HONOURABLE MINISTER FOR COMMUNITY DEVELOPMENT ON MONDAY, 15TH JULY, 1996.

GOVERNMENT MOTIONS

GOVERNMENT MOTION NO. 5/96 CINEMATOGRAPHIC AUTHORITY

The Speaker: We now proceed to Government Motion No. 5/95 - the Cinematographic Authority which is to be moved by the Honourable Temporary First Official Member.

Hon. Donovan Ebanks: Madam Speaker, I beg to move Government Motion No. 5/96:

“WHEREAS under section 2 of the Cinematography Law (1995 Revision), provision is made for the establishment of an Authority consisting of the Governor, three Elected members of the Legislative Assembly and one member nominated annually by the Governor to carry out the stipulation of the above-cited Law and Rules made thereunder.

BE IT RESOLVED THAT the following Elected Members be appointed by the Legislative Assembly to the Cinematographic Authority for a period of one year as from 1st January, 1996: -

**Mrs. Berna L. Thompson Murphy, MBE, MLA
Mr. D. Kurt Tibbetts, MLA
Mr. D. Dalmain Ebanks, MLA.”**

The Speaker: The question before the House is Government Motion No. 5/96, The Cinematographic Authority. The motion is open for debate.

If there is no debate, I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. Government Motion 5/96 has been passed.

AGREED. GOVERNMENT MOTION NO. 5/96 PASSED.

The Speaker: We continue with Other Business, Private Member's Motion 3/96 - Debate on the Report of the Public Accounts Committee and the Auditor General's Report on the Audited Accounts of the Cayman Islands' Government for the year ended 31st December, 1994, and the Government Minute which relates to it.

The Honourable Minister for Education and Planning continuing the debate.

OTHER BUSINESS

PRIVATE MEMBERS' MOTIONS

PRIVATE MEMBER'S MOTION NO. 3/96

DEBATE ON THE REPORT OF THE PUBLIC ACCOUNTS COMMITTEE AND THE AUDITOR GENERAL'S REPORT ON THE AUDITED ACCOUNTS OF THE CAYMAN ISLANDS' GOVERNMENT FOR THE YEAR ENDED 31ST DECEMBER, 1994, AND THE GOVERNMENT MINUTE WHICH RELATES TO IT.

(Continuation of debate thereon)

Hon. Truman M. Bodden: Madam Speaker, thank you.

On page 26 of the 1994 Report of the Auditor General, we find that in Figure 1, paragraph 1.6 a section

that deals with Cayman Airways Limited's refinancing loan. That section deals firstly with the fact that the proceeds of the US\$20 million loan which was borrowed by this Government but was in effect used to pay for some of the debts that existed when this Government came into office after the elections. It was a refinancing loan that had been approved back in June of 1992. It was credited to the Government's/United States Call Account. It is around that area, I would like to emphasise how and why this went into the Government's account and how this matter of interest rates came about.

The proceeds of that US\$20 million were not permitted, indeed I did not wish for them to be permitted, to go directly into Cayman Airways' accounts at the time. In the past - as we saw with the \$12.4 million (US) which is the only other sizable amount of cash that was put into Cayman Airways Limited back when (or sometime after) the 727s jets were sold - was rapidly spent. Within a matter of a few months the \$12 million went.

The Honourable Financial Secretary, quite rightly, put the proceeds of this loan directly into Government's Call Account. From there along with the Board of Cayman Airways and myself, we looked at the massive debts that Cayman Airways had at the time and we had to choose which ones would be paid from the \$20 million. I would like to emphasise that none of the \$20 million - absolutely none of it - was given to Cayman Airways Limited to be used as capital to carry on its business.

The delay in dealing with the proceeds was so that a schedule of Cayman Airways Limited's debts could be drawn up and consolidated. We also had to look at what debts had to be paid immediately because Cayman Airways Limited at the end of 1972 was basically scheduled to be liquidated. The debts were so massive. We then looked at debts sometimes \$1 million to \$1.5 million were owing., some of which were non-payment of rental. At one stage just after the government changed in 1992, over a period of the first few months I would get calls sometimes on a daily basis saying that the jets would be seized in Miami because the rental was outstanding.

We were also at that stage, as stated in the fourth line of Figure 1.6: "Since settlement of aircraft leasing claims were being negotiated at this time, funds could not be tied up on monthly fixed deposit." The money was kept in a Call Account (which really means we got less interest) but because the claims under those leases averaged about \$46 million for the 737-400 jet -- because it was leased payments that could have accrued over a period of a further ten and a half years at the rate of \$3,600,000 per annum together with substantial amounts for aircraft hull reserves, engine reserves -- it was therefore not possible during the stages of negotiations with the aircraft lessors to be able to tie the funds into say 30-day deposits. Two reasons; we did not know how much we had to pay. I have seen some legal disasters throughout my 27 years as a lawyer, but I have never seen so many claims in such unquantified and substantial amounts that were outstanding to so many

companies as was the situation when Cayman Airways Limited was taken over by this Government.

The actual negotiations on this 737-400 (and we have to remember that there was already a judgment of approximately \$7 million that had been entered in the High Court of the United Kingdom in relation to the leases from Guinness Peat Aviation of which the contingent liability was probably in the vicinity of \$90 million, because they were longer leases. I think there were close to 12 years left to run. We were not dealing with small amounts, however, the position had to be left that while the funds were under the control of the Honourable Financial Secretary, we had to move fairly quickly into the accounts if a settlement could be reached to settle the heavy liabilities that were either in litigation or were to a stage where they may be litigation, dealing with the lease of the 737-400.

This took some considerable time because this Honourable House has to remember that taking over a company that size in such a desperate financial position was no mean order. Even trying to find out what amounts were owing took some considerable time. During the stage, if we were able to reach a settlement, then substantial funds would have to be available to meet that settlement at an early stage.

The actual finalisation of the settlement on the International Leasing Finance Corporation of California, 737-400 arose sometime further on. We were in an invidious position because they were also the lessors of the only two jets that were then running which were the 737-200s. So the negotiations were on two different fronts in dealing with three different jets; one that we could not afford - the new 737-400 which we owed substantial amounts on, and two other jets that we need then to have a lease to continue the operation of Cayman Airways. I will be frank, Madam Speaker, ILFC made it abundantly clear that if we did not reach settlement on the 737-400, which is one of the three jets that had put us in the serious financial problems, then they were going to take back the 737-200. This was all back in early 1993. Thank God it is all behind us now. I do not know if the Audit Department understood clearly the background to the fact that the money had to remain on Call Accounts during that period.

Finally, a vice president from ILFC came to Grand Cayman and after negotiations a settlement was reached which allowed us to keep the 737-200s on an extended period of close to a year on one, and to continue the leasing arrangements on the other 737-200. I should say, what I thought were literally impossible negotiations because we had nothing at that stage to really negotiate with. ILFC held all of the negotiating clouts because they threatened to cease the two jets when they arrived in Miami because they were under United States Register, unless a settlement could be reached. These were much older planes, unlike what we have now which one is the new 737-200 to come of the line. We reached a settlement that over the next six months we would pay one-half of the rental on the 737-400, but had to keep it for another six months. We would make cer-

tain back payments in rental over that period of time. Then finally they would take the jets back.

From the point of view of negotiating ourselves out of the 737-400 dilemma we came out far better off on that jet, in that we got a reduced rental over a period of six months. Naturally at the end of that period, the 737-400 was taken back. Even then there were times when I believe both the Board and the Honourable Financial Secretary could feel the bottom of the Call Account coming up as we try to keep the negotiations within the limits that we could afford to pay.

The \$20 million that were held in the Call Account at rates that were perhaps two or three per cent less than what we could have gotten, if the accounts were deposited for say, a one month period, if in the end we did not succeed in the negotiations there would have been no Cayman Airways in any case. It would not have been a matter of one per cent or two per cent interest, but the fact that we would have had 350 Caymanians out of work. We would have had probably \$40 million in debts that would have been on call.

This is very important, Madam Speaker, because when we took over Cayman Airways, an assessment of these debts had to be carried out. It was then clear at that time that there was no alternative to the Government but to continue operating Cayman Airways because we could not come up with \$40 million in capital to pay its debts. It was not a matter of choice, the country then was broke and Cayman Airways owed close to \$40 million in debts.

I believe now that the Audit Office realises the grim early days of Cayman Airways Limited and the reason why the funds did not go into Cayman Airways Limited -- because I can assure you, if that \$20 million had been put in the Call Account -- in fact we are still trying to pay off that account -- the mere debt to the bank would have taken up half of the \$20 and there would be nothing left to pay out. Luckily we have good bankers. I thank them very much for all that they have done for Cayman Airways Limited. Therefore the approach that was taken while it was not an orthodox approach, was the only way to go. If the funds had been put directly into Cayman Airways Limited, then the \$20 million would have been gone. They could have written cheques for that amount overnight and still have another \$20 million worth of debts.

I am very happy to say that we have been able to pay \$1 million back to the bank on Cayman Airways' loans and overdraft that were left by the last government over the past year, because we have paid perhaps \$50,000 a month. It is in fact, about \$1.2 million in total. But it will be a long time before one can really say that Cayman Airways Limited is getting itself out of the debt that the last government left it with.

Those leases claims referred to in the Auditor General's report were the disastrous result of the "sweet-heart deal" that was referred to by Mr. Linford Pierson on the sale of the 727-200s.

I support the Honourable Financial Secretary on what was done here. Government borrowed the money,

not Cayman Airways Limited, and that also has to be made clear. Cayman Airways Limited could not borrow any money. So the money had to be borrowed in Government's name which was kept in a US-Call Account where interest was paid at one per cent. But we could have drawn on it at anytime to deal with the position of settling the claims.

All in all, especially the fact that during the negotiations we found that we saved on the lease of the 737-400 for the balance of the term, approximately \$900,000 (6 x \$175,000 per month) by paying only half during that period. In fact, if I may say so Madam Speaker, as with the negotiations on the return of a \$3.5 million engine that was sitting at the airport of which nothing had been paid on, ILFC looked at Cayman Airways and thought they should perhaps take what they can get and settle the debts. This is back in 1993, they were told bluntly that if they pursued their claims against Cayman Airways, they were not going to get anything, because there is absolutely to get. Really, it is out of the goodness of Government's heart, so to speak, that we were prepared to honour the large debts that Cayman Airways owed. The money was very carefully meted out by the Honourable Financial Secretary. In fact, he had the ultimately say as to how the payments would be made from the \$20 million. As we know it went in as capital. In the early days when we were trying to figure out which of the many debts to pay, the funds were held on a Call Account.

The Auditor General's confirmation, in paragraph 14.7: **"On the suggestion of the Financial Secretary, an Investment Committee of senior Treasury managers was established to review investment performance."** I fully support what has been carried out there. But I do not believe that it could have affected the position with Cayman Airways Limited because we were really in one of the most desperate positions I have ever seen.

Madam Speaker, going on with the question of interest on cash balances. I have been a proponent of the fact that when Government, as it does now, finds itself with cash balances it should negotiate the best interest rates that it can with the banks. It is undoubtedly a very large depositor, it is a large spender within its current account, therefore there is a high turnover on its accounts.

The question of matching maturities that the Auditor General refers to at the bottom of page 24 to the top of page 25 is not always as simple it seems. Government has to have its cash projections in place prior to the timing on its deposits. What is important as has been stated here that the Honourable Financial Secretary has taken the initiative to go ahead and manage Government's deposits on a much close basis so that it does not find itself with open positions of substantial amounts sitting on a current account or a call account when they actually could be making more money. We must remember that one per cent interest on \$1 million is a lot of money. We are not dealing here with a few hundred dollars, we are dealing with \$10,000 for each increment.

The Honourable Financial Secretary, as he always has had, a good grip on the Government's funds. He has in place the proper criteria to ensure that the funds are managed. I am comfortable with that.

Moving on, I would like to go to the section that deals with the reference on the Reserves and the Pensions Fund. In the course of dealing with reserves in general, the Pensions Fund has been raised and as we know, the Honourable Financial Secretary has quite rightly segregated those Pension funds from the Government's other reserves. This was done sometime when there was concern in relation to the fact that under the past Government, the Pensions Fund were kept as general funds and at one stage, were included in the Reserves for the country.

The Pensions Fund for the civil servants' pensions has grown and has grown considerably within the past few years. The reference I made earlier would not have been to the previous government, but the government before. What I want to bring out very clearly is the fact that that fund has grown at the end of 1992 -- I am reading from the Auditor General's Report of 31st December, 1992, page 5 where it states: "The Pension Contribution Reserve, 1991 stood at \$3,373,300." We know that by the end of December last year it had reached \$16.7 million. I fully support the fact that very substantial sums have been put into it by this Government. In fact, between 1993, 1994, and 1995 we would have put in approximately \$10 million into the Pensions Reserves for the Civil Service. I am very proud of that, Madam Speaker. It should continue to be increased at the high rate that this Government has done. What is most important is that it is separated from the other reserves of the country.

The position is one that notwithstanding the increases that have been carried out by the Government in relation to the General Reserves and the other areas, we have seen that this Government has increased that fund by approximately \$10.4 million between the end of December 1992 and up to December 1995. I understand that as at the 31st of December, 1996 we will be somewhere in the area of \$20.4 million. So the references to these accounts, while putting it separate, are quite rightly segregated from the country's General Reserves.

There has been from time to time certain things said in relation to what should be done. But what is important is looking at the facts such as this, and really to see that there has been meaningful increases in the fund. In fact, the General Reserves are set out at page 4 of the Auditor General's Report for 1994. There is a section on page 6 and onwards that deals with 'Authorisation, Control and Reporting of the Capital Budget'. The new reporting structure has been set out. It is important, while it is not easy to go through 300 or 400 pages of the Estimates and Expenditure, what is now being done shows that a proper system is in place and being improved upon. What is certain is that far more detail is now given to the public, therefore allowing more legislative control and authorisation to exist. We know that the Honourable Financial Secretary is at present reviewing the Public

Finance and Audit Law to continue to upgrade the system.

Perhaps what needs to be clearly brought out under this heading is that Ministers and Members of the Legislative Assembly are not the people who spend money as such; they do not sign cheques. The control is dealt with through Heads of Departments in the Civil Service. Sometimes this is not fully understood, and many times there is misunderstanding as to conditions of service, or the hiring of staff, the termination of civil servants is dealt with purely by the Civil Service through the Public Service Commission, which is a non political body. Similarly here, the persons who are in charge of the budgets and who are the officers who allocate the funds and give authority for funds to be paid are not the Ministers not the Members of the Legislative Assembly.

Madam Speaker, I am actually at the end of this section. There seems to be about two minutes to go, but before I go on to another Head that I wish to deal with, can I ask for the adjournment?

The Speaker: Yes, certainly, you may. Honourable Minister, would you move the adjournment?

ADJOURNMENT

Hon. Truman M. Boddén: Thank you, Madam Speaker.

I beg to move the adjournment of this Honourable House until 10 o'clock tomorrow morning.

The Speaker: The question is that the House do now adjourn until 10 o'clock tomorrow morning. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until 10 o'clock tomorrow morning.

AT 4.26 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM, FRIDAY, 12TH JULY, 1996.

**EDITED
FRIDAY
12TH JULY, 1996
10.07 AM**

The Speaker: I will ask the Honourable Temporary First Official Member responsible for Internal and External Affairs to say prayers.

PRAYERS

Hon. Donovan 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 II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

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

APOLOGY

The Speaker: I have an apology from the Honourable Minister responsible for Agriculture, Environment, Communications and Works for late arrival.

Questions to Honourable Members/Ministers. Question No. 109, standing in the name of the First Elected Member for Bodden Town.

QUESTIONS TO HONOURABLE MEMBERS/MINISTERS

QUESTION NO. 109

No. 109: Mr. Roy Bodden asked the Honourable Minister responsible for Education and Planning to provide the total number of students suspended from the George Hicks and

John Gray Schools giving ages, nature of offence, length of suspension, etcetera, for the period September 1994 to May 1996.

The Speaker: The Honourable Minister responsible for Education and Planning.

DEFERMENT OF QUESTION NO. 109 STANDING ORDER 23(5)

Hon. Truman M. Bodden: When I received this question back three or four weeks ago, I had hoped that I would have had this, but it is taking a very long period of time; and as the Honourable Member will appreciate there have been reporting sessions to parents, graduations and final exams. I am afraid that I just do not have it. I will have to ask that this question be deferred until a later sitting.

The Speaker: The question is that the answer to question No. 109 be deferred until a later sitting of this meeting.

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

AYES.

The Speaker: The Ayes have it. The answer is accordingly deferred.

AGREED. QUESTION NO. 109 DEFERRED.

The Speaker: The next question is No. 110, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 110

No. 110: Mr. Roy Bodden asked the Honourable Temporary First Official Member responsible for Internal and External Affairs what the current number of work permit holders in the Cayman Islands is; how many of these persons are employed in hotels, restaurants and bars.

The Speaker: The Honourable Temporary First Official Member responsible for Internal and External Affairs.

Hon. Donovan Ebanks: The current number of work permit holders in the Cayman Islands as of 20th June, 1996, was 10,598.

Approximately 1,800 were employed in hotels, restaurants and bars.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Can the Honourable Member comment on the increase or decrease in this number as in comparison to one year prior?

The Speaker: The Honourable Temporary First Official Member responsible for Internal and External Affairs.

Hon. Donovan Ebanks: I have no information currently at hand as to what the figures were one year ago. I would venture to guess that there has obviously been an increase, but I am unable to say what the level of increase is either in the total or the category.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Does the figure of 10,598 also include persons on temporary work permits?

The Speaker: The Honourable Temporary First Official Member responsible for Internal and External Affairs.

Hon. Donovan Ebanks: Yes, it includes temporaries. All current permits in effect as at 20th June, 1996.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Does the Member have the breakdown of what the temporary permits and full time permits are in that figure?

The Speaker: The Honourable Temporary First Official Member responsible for Internal and External Affairs.

Hon. Donovan Ebanks: No, Madam Speaker, that information is not available.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Would the Member give an undertaking to provide that in writing at a future date?

The Speaker: The Honourable Temporary First Official Member responsible for Internal and External Affairs.

Hon. Donovan Ebanks: Most certainly, Madam Speaker.

The Speaker: Thank you.

The next question is No. 111, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 111

No. 111: Mr. Roy Bodden asked the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation to provide a breakdown on money spent on the George Town Hospital Project to date.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Expenditure on the new George Town Hospital project as of 10th June, 1996, is as follows:

1. Construction Work \$1,138,000
2. Consultants' Fees 1,169,000
3. Project Management 215,000

This gives a total spent, thus far, of \$2,522,000.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. Can the Honourable Minister say what was entailed in the construction work?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Thus far we have completed the materials management building and we are on the foundation of two other buildings.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Minister provide some elaboration on the consultants' fees; i.e., if this fee represents an extended period of consultancy, or if it was just a fee for the construction work thus far?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: This would be for the design phase of the overall project.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Is the Honourable Minister in a position to say what consultancy fees may be forthcoming in the next little while, and what amounts we might expect?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Not to be specific, but I have been advised that the \$25,000 to \$30,000 range would be the balance on the winding up.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

On a newscast sometime ago, I heard someone (probably from the project management office) suggest that the work may be somewhat behind schedule. Can the Honourable Minister offer any enlightenment as to the schedule of the work expected to be completed?

The Speaker: I wish to draw attention to Standing Order 22(1)(f)(viii) which says that a question, "asking whether statements of the press, or of private individuals, or unofficial bodies are accurate;" cannot be allowed.

The First Elected Member for Bodden Town.

Mr. Roy Bodden: May I ask the Honourable Minister, then, to comment as to the level reached on work up to this point?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Gladly. We have experienced a bit of difficulty because of the very hard rock that we are dealing with which we did not expect. I am fairly sure, unless something unusual happens, that the overall terms of the contract will not be affected.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: When the Minister says that some difficulty was experienced, can he say if this difficulty entailed any additional expense for the time expended to sort this difficulty out and, if so, can he please give us some further explanation?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Yes, as I said, some time would have been lost and more costs would have been incurred. But this would, I feel sure, be covered in the contingency.

The Speaker: That concludes Question Time for this morning.

Mr. Gilbert A. McLean: Madam Speaker, on a point of procedure.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

POINT OF PROCEDURE

Mr. Gilbert A. McLean: I would like to inquire about a question that was deferred on the Order Paper on the 24th of June which was directed to the Honourable Minister for Tourism. It was Question No. 75. Two weeks prior to that it had to be submitted, and it has not yet come back to the Order Paper. It was regarding a crane.

I would like to know if and when that will make it back to the Order Paper, if the Minister has any views on it.

The Speaker: Would the Chairman of the Business Committee, the Honourable Minister responsible for Education and Planning, be able to set the record straight?

Hon. Truman M. Bodden: Madam Speaker, I would suggest that the Member ask the Honourable Minister when he is here. If not, if he would give me a bit of paper stating what question it is, then I can pass it on to him. He is not here now, and I am not certain. But I can find out.

The Speaker: Thank you.

Would you do that Second Elected Member for Cayman Brac and Little Cayman?

Mr. Gilbert A. McLean: Yes, Madam Speaker. The question was No. 75 which is "Whether a multi-million dollar crane is being purchased by the Port Authority, and how is it expected to be deployed."

The Speaker: Would you just put that in writing for them please? Thank you.

Continuing with Other Business, Private Member's Motion No. 3/96. The Honourable Minister for Education and Planning, continuing.

OTHER BUSINESS

PRIVATE MEMBERS' MOTIONS

PRIVATE MEMBER'S MOTION NO. 3/96

DEBATE ON THE REPORT OF THE PUBLIC ACCOUNTS COMMITTEE AND THE AUDITOR GENERAL'S REPORT ON THE AUDITED ACCOUNTS OF THE CAYMAN ISLANDS' GOVERNMENT FOR THE YEAR ENDED 31ST DECEMBER, 1994, AND THE GOVERNMENT MINUTE WHICH RELATES TO IT.

(Continuation of debate thereon)

Hon. Truman M. Bodden: Thank you, Madam Speaker.

The last main area that I wish to deal with is the part of the Auditor General's Report 1994 which deals with the Budget and the outcome for the year ended 31st December, 1994. In so doing I will refer back a couple of years, as has the Auditor General, to certain comparative figures that will be relevant to how the aggregate balances have reached the amounts they now are.

What we find in the 1994 figures is that revenue set out at \$152,108, has increased by \$3 million above the estimate. That is very much in our favour. We have made \$3 million more in revenue than we expected to make. What is most important is that the recurrent expenditure, including the statutory expenditure (which is repayment mainly on debts, not just of the past Government, but of past Governments) has also been taken out of that. When we deduct the \$138 million of expenditure for recurrent from the local revenue of \$152 million, we see a profit of \$18,157,000. That is headed as Capital. We took that \$18.1 million of profit - pure profit - and funded Capital Expenditure. That amount is very substantial and significant as I will show from corresponding figures. I will only go back to the end of 1992, because that is the time when this Government's period of office began, to show that for the three years previous to 1992 (and I will read those figures) there was a loss of \$3 million for three years. Nothing at all was contributed to Capital; that is, this country had no profit. No one can dispute this. These are the Auditor General's accounts, which show that we spent on recurrent revenue \$18 million less than we received for local revenue. That went for capital projects.

We see that 1994 was a very good year, and it is very obvious that 1995 was an even better year; and we merely have to look around us to know that matters in the economy are very good at present. The National Team and the Hon-

ourable Financial Secretary guided this country back to a very stable, safe and booming economic time.

I would like to briefly look at how we arrived at the accumulated cash flow and the actual accumulated profit and loss aspect of the country's position. This is an accumulation of several years, and if we look back just a few years ago (because this is an accumulated balance which shows the amount at the beginning of each year, and the amount at the end of the year) we see right at the bottom of page 3 of the Auditor General's Report that at the end of 1994 there was a positive cash flow of \$3.360 million. The accounts show... it may be better to begin with the end of 1992... but they show an accumulated amount that historically is what one Government passes on to another. I would just like to read at this stage from the 1992 Auditor General's Report which showed what the position was then, and compare that to the 1994 accounts, taking the position from there. The 1992 Report of the Auditor General, and indeed the report of the Public Accounts Committee, highlighted these matters which have a table similar to the table in the 1994 accounts, which other Members make use of from time to time. I would like to look at the specifics .

The Auditor General stated on page 2 of the 1992 Auditor General's Report, "**It will be observed from Table 1 that Government's overall financial position, excluding transactions undertaken on behalf of Statutory Authorities, deteriorated further in 1992, continuing the trend established in 1990.**" According to the Auditor General there had been a deterioration of the Government's accounts from 1990 continuing until the end of 1992. When we look at the following page (page 4), it shows that "**The annual deficit before financing [this is the 31st December, 1992] increased from \$12.973 million to \$16.877 million.**" Massive deficits continuing to increase. But it goes on to say what I just recently mentioned, "**Local revenues were insufficient to cover recurrent expenditure. The recurrent account moved from a 1991 surplus of \$1.854 million to a deficit of \$3.624 million.**" We know that in the 1994 accounts there is a surplus of profit of \$18.17 million.

Reading on through this fairly quickly, "**The accumulated deficit on recurrent and capital accounts since 1990, after crediting loan proceeds, exceeds \$30 million. The Surplus and Deficit Account recorded an accumulated deficit of \$7 million at year end 1992.**" So from 1990 to the end of 1992 there was an accumulated deficit which exceeded \$30 million.

It goes on to say, "**Government expenditure has been increasing at a faster rate than local revenue since 1990 - an annualised rate of 14.5% compared to 8.0%.**"

Mr. Gilbert A. McLean: Madam Speaker, on a point of order.

The Speaker: May I hear the point of order, Second Elected Member for Cayman Brac and Little Cayman?

POINT OF ORDER (Relevance)

Mr. Gilbert A. McLean: Private Member's Motion No. 3/96 is for a debate on the Public Accounts Committee's Report on the Auditor General's Report on the Audited Accounts of the Government for the year ended 31st December, 1994. The Honourable Minister for Education and Planning has

been reading out of the report for 1992. I wonder as to the relevance of the matter.

The Speaker: May I ask the Honourable Minister for Education and Planning... He did say that the Auditor General mentioned 1992 in his report. I assume that he meant the 1994 report. Can you...

Hon. Truman M. Bodden: Madam Speaker, it is strewn in different areas, but if we look in the middle of page 10, we see that the "**...matter was referred to the Accountant General in my two previous management letters issued at the conclusion of 1992 and 1993 annual audits.**" This is one of those audits. There is a comparative to 1993, but... and I will look for their references to 1992, but throughout this report it is dealing with... sometimes going back as far as 1985. If you look back at page 73, for example, you will see a table there, "Financial Summaries", that goes back to 1985 in a lot of detail. It is not possible to discuss accounts (especially public debt that has been dealt with in some depth)... this is not something that stands alone at a specific time. It is an accumulation of debt, the same as profit and loss is an accumulation of profit. The 1993 figures, for example... or go back, say, to the 1985 figures in here under the General Reserve summary.

The Speaker: Honourable Minister, the first point that you made on page 10, the reference to the annual audits of 1992 and 1993, refers specifically to loans to non-civil servants. That, really, as a point of argument for referring to the 1992 accounts, has no bearing. I appreciate that on page 73 this is the one that can be used if you wish to continue your discussion on accounts other than the audited accounts of 1994 if you wish to include your discussion on that. But page 10 has no relevance.

If you are going to continue under the General Reserve summary, and any other points that you may find in the audited report of 1994, you may continue to do so.

Thank you. Would you please continue?

Hon. Truman M. Bodden: Thank you, Madam Speaker.

The accounts as I read them cannot, as I see it... for example, in 1993 (and this is not dealing with your point, Madam Speaker), the statement of reserves going back... and those reserves in any event deal with opening balances, gains and losses, transfers from profits, inward transfers, government outward transfers, general reserve, demand liabilities... it seems that it covers the whole ambit of the country's accounts. What I would like to be able to do, because accounts are not something that are basically fixed at any specific period of time but run on from one year to the other... to get things in the proper perspective, as have other Members of this House, it is sometimes necessary to look at some of the past matters.

Any how, let me deal with 1993 and 1994 in relation to the statements set out in here. We find that the position in 1994 is considerably improved. Anyone with any sort of business experience and ability could have looked around them in 1994 (and indeed at the present time) and realised that the country was in an economic boom. The accounts bear this out. We find that if we remove the \$16.4 million for the Cayman Airways debt which came in in the 1993 accounts, and unlike the disastrous situation that an ad in the newspaper put in by Team Cayman which tried to show that the public debt had increased from 1994 to 1995, from 1993

to 1995 we find that the increase was the \$16.4 million of debts that this National Team Government did not accrue on Cayman Airways; when that is removed from these accounts it shows a definite decrease from the figures that they showed.

What happened in that advertisement was that Team Cayman was confused between the public debt of Government and the statutory debts of the statutory authorities. They added it in when it suited them, and left it out when it suited them. But the Financial Secretary made a statement which was laid on the Table of this Honourable House during the Finance Committee Meeting of 23rd November, 1995 (which I am holding here), clearly showing that what Team Cayman put out was misleading to the public. In 1995 there was a 14.9% decrease in debt from 1994, and the increase from \$54 million to \$61 million between 1993 and 1994, when you actually take off the \$16.4 million, also showed a decrease in debt in 1994. This is borne out by the accounts that are in the 1994 Auditor General's Report. At the time (1994) a profit of \$18.15 million was made. In 1993, even though it was still in the doldrums of the economic recession we had inherited, we contributed and made a profit of \$8.782 million.

(Inaudible interjection by the First Elected Member for Bodden Town)

Hon. Truman M. Bodden: We go on to really...

The Speaker: Honourable Minister, please.... Has the First Elected Member just become Speaker of the House? I see you are addressing him.

Hon. Truman M. Bodden: Madam Speaker, I did not address him with the microphone on.

The Speaker: I am sorry, sir, you were standing and your voice came through my microphone.
Please proceed with your contribution.

Hon. Truman M. Bodden: We find that Team Cayman, in the production of these accounts... and we know that Team Cayman's economist is now Mr. Brian Wight who has the experience of managing the 'Wight Empire', which...

The Speaker: Honourable Minister, please....

Mr. Roy Bodden: Madam Speaker, on a point of order.

The Speaker: *(addressing the First Elected Member for Bodden Town)* Please, before you bring your point of order....

(addressing the Hon. Minister) I have to take umbrage to this because Mr. Brian Wight's name does not appear in the audited accounts for 1994. If you have a statement to make on any matter you are privileged to do so in a statement by yourself at any time, but, please, just deal with the audited accounts for 1994.

Hon. Truman M. Bodden: Thank you, Madam Speaker.

In the future what I shall be doing... any other name that is mentioned, other than Members of the House, I assume I can then object to. If that is the way it should go, then I am very happy with this, provided that all Members

comply with it. I am sure that you will ensure that all Members will not refer to anyone outside of this House, or to former Members of this House.

The Speaker: I am glad that Members are cognisant of the correct thing to be done in the House. When at all possible, unless you are replying to a statement or a publication in the newspaper, which you are allowed to do by making a separate statement... but in your debate, please confine yourselves to the matters at issue - which at the moment is the Report of the Public Accounts Committee for the year ended 1994.

Please continue, Honourable Minister.

Hon. Truman M. Bodden: Let me just get this clear. I can refer to Mr. Brian Wight's statement in the newspaper relating to this?

The Speaker: Certainly not, sir.

Hon. Truman M. Bodden: So there can be no reference to any newspaper in the House?

The Speaker: Certainly not.

Hon. Truman M. Bodden: Very well, Madam Speaker. But I shall ensure that I object whenever that arises elsewhere, and I am sure that you will sustain that.

The Speaker: I certainly will, Honourable Minister.

Hon. Truman M. Bodden: The position is very clear that we have had an accumulated surplus (that is, profit) not only of the amount of \$18 million which has been put in Capital, but we find that over the life of this Honourable House we have had a total of \$58 million in profit including the profit for this year. That compared to what I mentioned some time back, of an accumulated loss of \$3 million for the comparative period prior to that by a previous Government.

Not only that, but the repayment on the statutory amount, the repayment on principal and interest on the debt is set out under the statutory expenditure in these accounts. It clearly shows that in the year 1994 alone we had approximately \$5.7 million that was put on debt charges that were inherited. I should point out that the debt that this country has had during the National Team's time (which is about \$8 million, other than the borrowings, of which probably only \$10 million can be used) shows very clearly that the country is in a profit and surplus when you take into consideration the public debt in the area of \$90 million. That is the best financial position that this country has every been in. The position has gone from where the recurrent expenditure (and this is how bankruptcy arises) used to be more than the amount of revenue (that is, the Government was spending more than they took in), to our position that we must always have a profit where money can be used over and above that to fund projects.

Not only that, we found that in 1994 we spent \$8.302 million less than what had been estimated. This is not only fantastic from the point of view that we have made more revenue than we expected, but that we spent far less than we expected to spend. Every year (including 1993 and 1994) these accounts will show that through the prudence of this Government we have spent considerably less than

what was authorised. The Estimates referred to in the 1994 Auditor General's accounts... this Government has never exceeded the total amount of estimates and the supplementary for the year. Indeed, what has to happen, because of the makeup of estimates... for example, in 1983 we saw funds, which were supposed to be spent, not spent. There was a Bill authorising us to spend quite a few million dollars on the Community College back in 1993. That was not used. That is why we were able to vary that Bill this time and go on to apply it to the present loans that we are anticipating to make.

It is prudent financial planning where one has large capital projects and there is borrowing, for that to be repaid over a period of time. What is important always (and we are a far distance away from that) is that the cost of funding those loans is something that can be easily done from the revenue of the country. I do not believe there will be draw-downs from the borrowings to the full extent of the loan this year as there are only five months of the year left to deal with the loans that have been borrowed, therefore half to two-thirds of that amount is the most that will be spent. But when you are making \$18 million profit per year there is no problem in re-paying a debt of \$10 million over a period of, say, eight to ten years. When you cannot do that is when the country has no profit, such as back under the previous Government (as I read earlier) when they were taking losses. That is a bankruptcy situation. This country is now viable, it is healthy, and as these accounts clearly show throughout our time in Government (including this year) a substantial amount of profit will be contributed to capital expenditure.

There was reference to transferring \$7 million from the reserves when the Government got in. The Second Elected Member for Cayman Brac and Little Cayman dealt with that. That was because a deficit of \$7 million was left. It is nonsense to run a deficit when sitting on \$7 million worth of cash. It does not make sense because you are paying heavily for something that is unreal. It is a fairy tale to believe that if you are running a massive deficit you should borrow money and put it into reserves. If you do not have the cash and you try to build up reserves by borrowing... it just does not make sense. It is like going to a bank and saying that you are going to borrow \$70,000 to put into a savings account. You are paying 10% interest on the loan and only making 4% interest on the savings account. At the end of the day you are losing money. So we transferred what money was necessary from a reserve to wipe out the deficit the country had. It saved the country money. It saved them the difference between the borrowing rate and the deposit rate they were getting which could have varied between 3% to 5%.

There can be no doubt at all that the position now, which anyone with business ability and knowledge... and I submit that experience in big finances by the two Opposition Members in this House is very slim... but anyone who has had experience with large finances knows that the economy, as stated in the 1994 Auditor General's Report, is the best that this country has ever seen. The public should know that when there is money in their pockets, when they have jobs and are making money, that the Government is also making money. The duty of the National Team and this Government is to have the economy healthy and to provide the jobs for the public.

Along with the surplus of \$56 million which went into Capital Expenditure went a further \$12 million or \$14 million to pensions. The pension fund for the civil servants when we took over was badly under funded. That comes out of the statutory expenditure here. The reason why the statutory expenditure has increased is due to several things. One of the main things is that substantial funds have been removed from the profits of the country and put in the pensions reserve which was badly under funded.

We also find that in the 'Highlights' the Auditor General has set out that we transferred \$444,817 to the General Reserve during 1994. That was money that was part of a profit. We also find that at present we see the repayments from previous years beginning to increase as the principal of more and more debt has to be repaid. The slight increase referred to at page 4 of the Auditor General's Report relating to servicing costs would relate to the repayments on matters such as the Cayman Airways debt and the previous loans and the increase by \$1.765 million.

What is important is that at page 9, when we look at where Team Cayman (or I should say the two Opposition Members) with their ad on public debt got confused,... let me just read from page 8 of the report. **"Figure 1.3 shows that total public rose by 13% from \$54,126,799 to \$61,161,544.... The increase was attributable to two factors: The liabilities of the former Health Services Authority were transferred to Government effective 1 January, 1994 upon the dissolution of the Authority. The HSA's pre-existing loans have been reclassified from self-financing loans to public debt. The loan for the Dr. Hortor Memorial Hospital (balance at 31 December, 1994: \$5,850,000) has been included within public debt for the first time."** So the increase is totally the \$5.85 million where the public debt increased because that debt, which sat in the Health Services Authority, was the debt of the country. There is no use in clouding issues such as this through devious mechanisms such as statutory authority borrowings, as did the Health Services Authority, and trying to say that the \$5.85 million is a debt of the Health Services Authority. It has no assets, it does not have the wherewithal to pay it. This is why the accounting in this country is back on a sound footing, because in previous years statutory authorities were used to hide debt and then the previous Governments could say that the debt had gone down. Sure! If you take \$5.85 million out of the public debt and put it into a statutory corporation you will not see it in Government for a period of time. But it has not gone away. You cannot brush debts of this sort under the carpet.

In an effort to hide from the public the true position of the debt in this country, they held out a lot of debt and put it into statutory authorities. So we are now having to bring it back to Government because the statutory authority (I am speaking here of the Health Service Authority) had no money to pay back this debt.

Another statement by the Auditor General on page 9: **"An amount of \$840,339 was drawn down but remained unspent as at 31 December 1994."** A very clear example of what I said earlier, that money authorised does not mean that it is money spent. Every year far more millions of dollars are authorised than are spent. The country will see that at the end of this year there will not be time enough to spend a lot of money that was authorised.

I am satisfied that in the Auditor General's Report, which really begins on a very good and positive note... and,

indeed, the accounts that he has set out for 1993 and 1994 clearly show that the country is on a sound financial footing. Not only is the Government on a sound financial footing, but Cayman Airways Limited, which could have buried this country financially and bankrupted this country, and out of which repayments for the loans and subsidies are in this account (that is what I am talking about at this stage), is no longer a threat to the finances of this country. The subsidies are easily paid by this Government. As we saw in 1994, we paid; and after that there is still \$18 million to go around. No one can dispute these facts.

I believe that the Auditor General's Report puts forward very few problems within the system. It puts forward a very positive set of accounts; it fairly well sets out that the increase in the public debt was due to money being rightly taken back under public debt that had been under statutory authorities. That is not the only statutory authority from which debt has come back. It has come back from other areas as well.

The country is in good hands. No one else could have turned this country around from the bankruptcy we, as the National Team, took over, and produce the surplus each year that we have since we have been in here; with that surplus going towards capital expenditure. We lived in 1993 and 1994 (and the other two years as well) within our means. We have not spent money of recurrent revenue on recurrent expenditure that we did not have. There has been a substantial profit and surplus every year. Therefore, when the finances are as good as they are now, when banks are finally lending us money again (as the Auditor General's Report brought out), and the borrowings in 1993 (which until now are the only borrowings that this country has had during our time) of about \$8 million, compared to the \$40-odd million of the past that we are now trying to repay; and the \$36 million of Cayman Airways debts (of which only \$20 million was repaid and we are repaying the balance), we find that the banks are happy with us. The country has good credit again. The economy is booming. The only criticism that can be made now is that things are too good.

I warn the country that any idiot can slow the country down, but it takes a good Government and good men - qualified with experience in business - to move a country forward financially and put it in a financial and economic boom. We are in an economic and financial boom. I hope that the people of this country appreciate it and that at the polls they will vote accordingly.

The Speaker: May I draw Members' attention to the fact that Private Member's Motion No. 3/96 calls for debate on the Report of the Public Accounts Committee and the Auditor General's Report on the Audited Accounts of the Cayman Islands Government for the year ended 31 December 1994 and the Government Minute which relates to it?

Debate continues. The First Elected Member for Bodden Town .

Mr. Roy Bodden: Thank you, Madam Speaker.

I find it necessary to preface my comments with a rather rueful admission: I hold no qualification from the Fellow of the Institute of Credit Management, nor have I any experience in big finances. I have only God-given good common sense, and the good fortune to have a solid academic background which merges very well with my God-given common sense. I find it rather peculiar that someone

who boasts of such lofty experience and high qualifications could fail to make a distinction, and keeps referring to Government surplus as profit. It may be a quirk of my lack of experience in high finance or my lack of qualification from the Institute of Credit Management.

I want to also say, in reference to some points made by the last speaker, that there are two schools of thought with regard to Governments not spending money. One school of thought is that when Governments do not spend money they deprive the people of public services. Another school of thought says that when the Government spends too much money the country runs into problems. I hold the view, in the case referred to by the last speaker, that the Government's not spending money meant that people were deprived of services; hence the quandary we are in now regarding roads in this country, not to mention all the problems with school buildings and the corollary effects.

It is also a moot point in regard to the whole business of the handling of the reserves, for there is also a school of thought which says that it may be better to hold one's money in an account and to borrow, particularly when one is reasonably sure that employment will continue and a state of economic affairs will last for a while, for when the loan is paid off, one will still have the money in their account.

There is also another side to the argument that the money was taken from the reserves to pay off a loan. I would prefer, if I knew that I could reasonably pay on a loan to buy a car, for instance, to take a loan from the banks. I would know that when my loan was paid off I would have a car and still have my money in a bank account. I do not have a degree from the Institute of Credit Management. The only experience I have is that I was lucky to have been associated with one of the more famous Caymanian business houses.

I wish to offer some brief comments on two aspects of the Auditor General's Report and the report of the Public Accounts Committee, and I shall endeavour to avoid any repetition. In the first topic I wish to discuss, that of dredging, I shall mainly concentrate on the environmental aspect because I deem it as relevant at this point in our development and very important that we arrive at some philosophy in the areas of protecting and preserving our environment.

Great emphasis is placed on environmental issues in the Auditor General's Report. I have extrapolated from the Auditor General's Report the notion that he is calling for a strengthening of the Protection and Conservation Unit (PCU), especially in light of the fact that he makes the point that the work of this Unit is not easily enforceable. On page 37, column 1.67 he said, "**No comprehensive studies have been carried out to establish how much land reclamation is desirable in the long term or the forecast quantities of dredged marl which will be needed in future years. Before any dredging licence is approved, the PCU carries out an environmental impact assessment, which is submitted to Executive Council for decision, previously via the CWAC and now through the Ministry AEC&W. The PCU also recommends the level of royalties payable.**" It would seem that the work of this unit is important and, indeed, sensitive. Yet, we get the impression that the recommendation of this unit is not given the credence it should be given, because on page 38 the Auditor General states, "**The PCU does not have statu-**

tory authority to enforce compliance with conditions of dredging licences, including terminating dredging operations when the licence period has expired."

I am suggesting that in these kinds of cases concern for environmental issues is sacrificed for political expediency. I am also suggesting, as extrapolated from both the Public Accounts Committee's Report on page 9, and the Auditor General's Report on pages 37 and 38, that it is high time for the Government - and I would say high time for the National Team Government, since it is that Government which is confronted with the issues - to take up the political will (if, indeed, they are honest) and adopt measures to better protect and preserve our environment.

POINT OF ORDER

(Imputation of dishonesty)

Hon. Truman M. Bodden: Madam Speaker, I object. The Honourable Member is imputing dishonesty to the National Team - "...if the National team were honest." I submit that he should withdraw that because it is an imputation of dishonesty.

The Speaker: First Elected Member for Bodden Town, would you rephrase your comment?

Mr. Roy Bodden: Certainly, Madam Speaker, if it is the wish of the Chair. Let me say, then, that it is high time for the National Team Government, if they intend to practice what they preach, to seek to implement measures which would protect and preserve the environment.

The Speaker: Thank you.

Mr. Roy Bodden: According to the recommendations made in the Auditor General's Report and the report of the Public Accounts Committee, we cannot continue the way we are going without serious harm to our environment. It bears reiterating that the Public Accounts Committee recommended: **"There should be a thorough and independent review of all aspects of marl dredging; there is need for comprehensive legislation to regulate dredging activities. This legislation should be developed following the independent review suggested above and should incorporate dredging guidelines. The existing [Marine] Conservation Laws should be extended to encompass dredging; the Department of Environment should be given statutory backing for its role of protecting the marine environment."**

Both the Auditor General, in the Report for 1994, and the Public Accounts Committee's Report on the Auditor General's Report, recommend giving some form of statutory authority to either the Department of the Environment or the Protection and Conservation Unit. Yet, for all the pronouncement of well-meaning this has not been done; nor was it addressed in the Government Minute which is Government's reply to the Auditor General's Report and the Public Accounts Committee's Report. I have to say that in this important aspect the National Team Government has adopted what is called the 'Ostrich Syndrome', burying its head in the sand pretending that the problem does not exist. This is clearly not good enough for a Government that claims it alone has the mandate to govern this country.

I want to hit a little closer to home to deal with that Aegean mess which the Auditor General covered in part 3 - Pre-School Grants. I am not concerned with why it was necessary to implement a system of pre-school grants. I am not concerned with the evolution of this system. What I am concerned with is that both the Auditor General and the Public Accounts Committee commented in great detail on the mismanagement and the mess that was made of this. It goes without saying that any positive aspect arising out of this effort has to be weighed against the massive disorganisation and mismanagement these two reports have so vividly commented upon.

There have been some corrective measures taken, but I am not convinced that the measures are so comprehensive as to have completely eliminated the problems. There is no excuse for the Government paying school fees for people whose income ranges in the region of \$60,000 to \$70,000, while, in my understanding, many in the low income bracket have a real difficult time obtaining the assistance. I think that this (to be objective) began with good intentions, but, through haste or otherwise, was not well reasoned out. It seems clear from these reports that not enough effort was given to promoting and developing a set of rules and regulations which were widely disseminated and clearly understood. So those people for whom the effort was designed to benefit in the larger scale were not able to take as great an advantage of it as they could.

I am especially interested in that section of the Auditor General's Report (page 55, section 3.17) where he comments: **"Almost \$100,000 has been provided to subsidise three pre-schools in Bodden Town, East End and West Bay. The fees at two of these establishments are 40% lower than the average."** When I got this report I made some inquiries as to these schools in my constituency. I was surprised to learn that all is not Kosher in one of the schools. Indeed, the proprietor approached me at one stage in utter desperation and said that if things did not improve the school would have to be closed. I hope that with the drafting of guidelines and regulations the relationship between the department and these schools will improve. I would hate to see that the school in question had to close because it does offer a good service. I attended one of the school leaving ceremonies some time ago and was impressed with the efforts being made. I shall, when the opportunity avails itself in a little while, be back in contact with the persons involved to see if the situation has improved.

I noted that the Minister tried to distance himself from this confusion saying that it was a departmental matter. I have to ask if that department does not fall under the Ministry. There is a famous Chinese image of such confusion, and that image is of monkeys gazing at the reflection of the moon in a pond - their perplexity intensifying when the breezes...

Hon. Truman M. Bodden: Madam Speaker, on a point of order.

POINT OF ORDER

(Relevance)

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: If the Honourable Member can show me where in the Report there is any reference to

monkeys looking in a pond... as these same points were taken when I tried to give an illustration. I submit that whether monkeys look upon it or not is not relevant.

The Speaker: I think he is using an allegory which is well-known to most people. I do not think it is a reflection on anyone. He is making a comparison. I do not think it is a valid point of order.

Would you continue, First Elected Member for Bodden Town, in dealing with the specifics?

Mr. Roy Bodden: Thank you, Madam Speaker. You know, they teach in the Martial Arts that when you get hit and it hurts, you should not wince.

I was saying that there is a famous Chinese image for such confusion, that image is of monkeys gazing at the reflection of the moon in a pond...

The Speaker: First Elected Member for Bodden Town, you are repeating yourself. I have a great aversion to that because the Standing Order concerning repetition makes it quite clear to Members....

Mr. Roy Bodden: Thank you, Madam Speaker.

I was hoping that I could finish my allegory. I take your point and will continue to say that their perplexity intensified when the breeze created distorting ripples across a placid surface. I trust that my point is taken.

The Public Accounts Committee's conclusions should serve to help the department and the Ministry develop what should be a good system into an excellent system of helping those who are in need of pre-school support. I would like to briefly read from the Conclusion and Recommendations of the Public Accounts Committee's Report because I find that it is enlightening.

"Greater [media] publicity about pre-school financial assistance should be provided to the general public. The Education Department should investigate thoroughly the reason for the low pre-school attendance statistics at certain Government Primary Schools." Finally, "The basis on which financial assistance is presently granted to parents should be reviewed. Scheme guidelines should be clear and easily understood by applicants, operationally sound and sufficiently robust to withstand external scrutiny."

I have to say that both the Public Accounts Committee's Report and the Auditor General's Report are very good reports. Indeed, they leave many valuable conclusions and recommendations. I think it is worthwhile remembering that these reports serve as the basis for improvement in the performance of the Government. I am disappointed that in the Government Minute the Government did not state their position as regards some of these recommendations and important conclusions.

Thank you, Madam Speaker.

The Speaker: Proceedings are suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.35 AM

PROCEEDINGS RESUMED AT 12.10 PM

The Speaker: Please be seated.

Debate continues on Private Member's Motion No. 3/96.

The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

The Resolve section of Private Member's Motion No. 3/96 reads, "**BE IT RESOLVED that the House now debates the Report of the Public Accounts Committee and the Auditor General's Report on the Audited Accounts of the Cayman Islands' Government for the year ended 31st December, 1994, together with the Government Minute, subsequent to it having been laid on the Table of this Honourable House on the 18th day of March, 1996.**" In reading all three of these documents, several of the areas which I considered important areas in the Auditor General's Report were not addressed by either the Public Accounts Committee document or the Government Minute. I am not 100% sure as to what this really says, but for now let me just say that I made that observation. As my discourse continues I will try to point out some areas which I think should have been addressed.

Early in his Report, the Auditor General discussed the financial highlights for the fiscal year 1994. A previous speaker mentioned the situation regarding recurrent revenue. As the Auditor General has pointed out, for 1994 the figure in the approved Estimates for that year was just over \$134 million, and the actual recurrent expenditure for the year was \$126 million. There is a difference of approximately \$8 million. There are different ways of looking at this. When we look at an approved amount for Estimates and we make projections for the year for capital expenditure, if there is an amount of \$8 million (which is probably 7% or 8% of projected amount) not spent, I guess one could say the money was not spent because there was prudent action and at the end of the day it was not necessary for that money to be spent. But if we make a comparison to the past few years (and as mentioned by speakers from the Government Bench) what becomes obvious is that when a projected figure for capital expenditure appears in the Estimates (whether it be by way of recurrent revenue, or partially by recurrent revenue, or by loans, or whether it be totally by way of funds derived by loans) history has proven that whenever you see these capital expenditures projected some portion of that money is not going to be spent.

There is a bit of confusion in my mind with regard to the method. The questions that I will raise are questions that I ask be answered. If a Ministry, in consultation with the relevant departments, projects capital expenditure in a certain area at a national level for some type of service to be provided, or for some type of infrastructure to be upgraded, then if it comes to Finance Committee to be approved and it is commonly said (as has been said in the very recent past) that we know the money is not going to all be spent.... For the life of me I do not understand why it is that we keep getting these projected figures for capital expenditure when in truth and in fact we really do not know what is going to be (or not going to be) accomplished at the end of the day.

I understand that there are projects that will start today which will not be physically completed within the given year simply because it takes longer to complete them. I understand that. I also understand that if you engage in a project and are entertaining borrowing, it makes no sense to engage in the borrowing other than for the total amount you need. I also understand that you only draw down on that

borrowing facility as and when the need arises, simply because if you took all of the money at one time you would be paying interest on what you have not used.

Having outlined the situation in that manner, it is still a bit confusing to me when we deal with the Estimates (as has been outlined in the Auditor General's Report) as to exactly how we line up all of our priorities and are able to complete them in the same order of priority as I would like to see. It throws a bit of confusion in that when these figures are included in the Estimates they do not allow me to add everything up and know exactly where we are headed. I am sorry that I cannot bring my line of argument to a conclusion because the truth is that I honestly do not understand the train of thought. At some point in time I would like to get a full understanding of exactly what the benefits of this methodology are.

In looking under the Financial Highlights for 1994, it is obvious that there is a trend where less is spent in recurrent expenditure than is approved. There is need for clarity in this matter, because in recent years a fair amount of recurrent expenditure has been going toward capital (as has been boasted). I do not think the conclusion should be that because your recurrent estimate was a given figure and less was spent, that less was actually spent on your recurrent expenses. I think the majority of the funds that are not spent from estimated recurrent expenditure are funds not spent on the capital projects. So, if that is a fact, and that is established by way of the figures, then it comes back to the question that I have asked.

As the Auditor General goes on under the Financial Highlights, there is another question which I do not know if there is an answer for. He states, **"There is no mechanism within Treasury Department to ensure that expenditure is incurred only against authorised projects."** (page 6). Before he makes this statement he explains, **"Under section 8 of the Audit and Finance Law, 1985, no changes can be made to the approved estimates without the approval of Finance Committee upon a proposal by the Financial Secretary. Public Officers are also prohibited from making any payment of public monies unless authorised to do so by warrant issued by the Financial Secretary, or by instructions given under the Public Finance and Audit Law, 1985."** (page 6).

I do not have to go into any further detail on that because that is fairly self-explanatory. If this should not occur, then the Treasury Department should have some type of mechanism to ensure that expenditure is incurred only against authorised projects. He is simply saying that we should have a system of checks and balances whereby, no matter what instructions are given, the cheque is cut from the Treasury; the final action (the payment made) comes from the Treasury Department. If there are no checks and balances it is impossible for them to know whether everything is in order with the payment or not. I understand that this report does not necessarily dictate as to what obtains today. The truth is, I do not know. The point that I am making in regard to his observations is that if it is still not the case, then it is very important that this happens.

He goes on to say, **"As a result of inadequacies in the legal and accounting framework internal rules have been developed over the years to enable funds to be switched between projects in the same or different economic sectors. On occasion funds have been**

switched to projects which have not been brought before the legislature for debate and approval." (page 7). In his view **"This seems to breach the important principle of prior Parliamentary approval which is the cornerstone of the financial supply system."** I concur with his thoughts at present.

There will be those who will say that I have never been in Government so I do not know how it operates on a day-to-day basis, and that I do not know why that is necessary. I am certain that they will have their line of argument. But from a principle point of view, and bearing in mind that checks and balances are very important when you deal with the country's money, I believe that it is something which should certainly exist.

Leading up from the two points I have just made, let me explain by way of an example why I believe a mechanism should be in place in the Treasury, and that being able to switch funds without prior approval through Finance Committee is not necessarily the right way to go.

The Auditor General's Report goes on to discuss a section where some roads were fixed, and there were many arguments for and against. Let me immediately state that my line of argument has nothing to do with whether the roads were fixed or whether they were not fixed; or even whether they should have been fixed or not. What I am dealing with is the method by which we arrive at the ability to be able to decide if we are going to fix those roads.

As he outlined, **"In August 1994 verbal instructions were relayed from Ministers to the Acting Chief Engineer, Public Works Department (PWD) to the effect that funds were to be re-allocated from an approved project (\$400,000 from land purchases authorised for the proposed Harquail bypass) to certain projects to be carried out primarily in private roads and driveways in the West Bay District.... However at the time payments were made there was no legislative or other acceptable approval in place to permit expenditure against these projects."** (page 7).

The question is not to determine whether or not the roads should have been fixed, because I stand here knowing full well that as a district representative there will be times when, after receiving calls from constituents, I will go to the powers that be and request that something be done regarding certain roads that are in bad condition. My argument has no bearing on that line.

He goes on to say, **"The correct procedure should have been to apply for a Supplementary Estimate. If the requirement to commence the work was urgent and attributable to exceptional circumstances, Government could have used the 'fast track' approach of applying for a Contingencies Warrant under section 21 of the Public Finance and Audit law, 1985. In the event, retrospective approval of Finance Committee was obtained in December 1994, some time after funds had been committed and spent on the projects."** (pages 7-8). What he is saying here is that the roads were done, the money was taken from another vote and spent. After it was all over, to regularise those expenditures it was brought to Finance Committee (after the fact!) for approval - without even a Contingencies Warrant.

The bigger picture with this problem that I just pointed out is that we should never get lost in the whole process of being able to decide and dictate unilaterally how funds are

to be spent. My point is not even whether, at the end of the day, the end result was the right decision or the wrong one. That is not the point. The point is the way by which you accomplish what you set out to do.

In using that example, I am not suggesting that this situation is very prevalent. What I will say is that even if it is an exceptional circumstance, the country's money must be spent in the way the law specifies. I noticed that in this instance neither the Public Accounts Committee's Report, nor the Government Minute addressed the issue at all. Having said that, I bring this to light because I think it is very important that no one in this Honourable House, including myself (for whatever reason) should ever get the idea that this is the way we should operate. It certainly is not.

To cap off the point he says, **"I have raised these matters because, in my opinion, the failure to follow proper procedures breach the important principle of prior parliamentary approval."** (page 8). That is why Finance Committee exists. That is why Finance Committee only consists of 15 individuals who are elected by the people of this country. The only way to ensure that those 15 Members of the Legislature involved in the spending of the country's money can be held accountable is by way of an election. That is my whole understanding of the exercise. It is also my understanding of why, when it was changed some time ago, there was a big argument; and that since I was elected one of the first things that happened in here was that the situation was reversed and normalised to the way it exists now.

He says, **"In my opinion appropriate approval should have been sought in advance for the projects described above prior to the commitment of funds. [This is very important.] Where prior approval of Finance Committee has not been obtained for a supplementary provision, appropriate approval consists of either a Virement Warrant or a Contingencies Warrant issued under section 21 of the Public Finance and Audit Law, 1985."**

The point is that you have virements and contingency warrants. Those are put in place to be used whenever circumstances which have to be acted upon immediately arise. They are not put in there to be bypassed or abused. This matter was not brought up to raise another ugly head talking about whose roads should be fixed or not. It has nothing to do with that. If there was another instance I would have preferred to quote that, but this is the instance that the Auditor General used. I remember being very confused myself about the issue. There was the question of illegal manoeuvres and whatnot. I do not want to deal with the situation at that level. I just consider it very important that the point the Auditor General raises in his report of 1994 regarding the correct procedure for expending funds is very important and the rules should be adhered to.

These regulations, laws, principles and everything else, are in place having been tried and tested. If they were not correct I am certain that by now some type of legislation would have been brought to this Honourable House seeking amendment. I know of nothing in the wings for that to happen, nor do I know of anyone who thinks these are outdated. I certainly do not think so. Let me simply say that I hope this example will be one for all of us to learn from.

Public Debt is probably one of the few issues where there was comment forthcoming in all three documents.

One of the points brought out by the Auditor General was, **"An amount of \$840,339 was drawn down but remained unspent as at 31 December, 1994. In accordance with established practice, this amount is being held in a Deposit Account pending further expenditure on approved capital projects."** (page 9) The Public Accounts Committee made note of this and said that **"...the interest rate offered by bankers on Treasury's Deposit Accounts is substantially lower than that charged on loan funds."** That is fairly obvious.

Then the Government Minute goes on to say, **"The Government accepts the point raised by the Public Accounts Committee in relation to the drawdown of loan funds for capital projects."** While they did not quote the figure, I am certain that they were referring to the same item. The Minute says, **"However, every effort continues to be made to fine tune the estimation process so as to match loan income with likely capital expenditure as accurately as possible. It is important to note, however, that the draw down of loans is based on estimated expenditure and that the actual realised expenditure, especially on capital projects, will rarely ever match the estimate."**

There are a few issues which immediately come to light here. As mentioned earlier, there is a question as to the procedure when it comes to capital expenditure and loans. The procedure is that Finance Committee approves the expenditure and then a Loans Bill is brought to this Honourable House to approve the borrowing. In this specific instance, as pointed out here (and I am certain that it was not done on purpose, it was probably just an oversight or some miscalculation somewhere along the line), there was a sum drawn down on a loan, and payments, including interest, immediately started to be made. The Government was holding it in its hand but could not expend the funds. The only way to make the best of a bad situation was to put the funds in a deposit account. We all know the reason that banks make money is because they charge a higher interest on what they lend than on what they pay out on deposits. It is obvious that money was being lost in this instance.

The amount was not in the millions, and this is not to make a big issue over how much money was lost, it is the principle. This all relates to how the chain of command is able to operate by way of communication when it comes to the whole procedure. The policy-makers decide what they want to do and the people involved in finance put it all together and bring it to us to decide on whether or not we wish to spend it. Then they bring us a Loan Bill to decide how we are going to borrow it; thereafter it reverts back into the chain of command to be spent as wisely as possible.

The Government then makes the observation and takes the point from the Public Accounts Committee... and I also noted that the Deputy Financial Secretary gave witness to the Public Accounts Committee. He accepted that the point was valid and that the Government appreciated the situation. He said that **"...funds had been drawn to meet the estimated cost of certain capital projects which were due to have been started by year end. Several projects did not start on the expected commencement dates, with the result that funds were unspent at 31st December 1994. The Deputy Financial Secretary assured the Committee that every effort is being made to fine tune the timing of future loan draw downs. The**

Committee accepts the explanation offered and notes that action is at hand." That is good to know.

Sometimes little things have to happen to us for it to really hit home as to how we should act in certain areas. Another good thing that I recently heard was that the Honourable Financial Secretary, in another debate, stated that Government is now using recurrent revenue to fund ongoing projects until the need arises for draw down on approved loans. That is good to know, because I think that is as prudent an action as any other that can be dealt with at this point in time. What that simply means is that if Government has revenue coming in by way of recurrent revenue, and there is no need to be spending it immediately on recurrent expenditure, they can tap in on that to utilise those funds for ongoing capital projects until such time as they need for their recurrent expenditure, which they then draw down the funds for. It certainly saves a lot of interest. So that is very good to hear.

It brings the point home that with all of the agencies involved it is very important that the tracking system allow for complete communication so that the left hand knows what the right hand is doing, and you do not have confused situations where the end result is that people simply continue to blame each other for what has occurred. I am pleased to note, with the one experience pointed out in the Auditor General's Report, that the appropriate action has been, and continues to be taken in order to do the right thing.

In moving on with the Auditor General's Report, under the section of Debt Exchanges, there is another question that I am not sure can be answered. There is a section on page 36 relating to royalties. The Auditor General's Report indicates that, "**Royalties were not required for a 19,263 cu yd extension to Project D but were linked to the donation of 30,000 cu yds of fill material to be provided by the licensee for the proposed Batabano - West Bay road construction project.**" I really do not know which road that is. It does not appear to be the Harquail bypass, but the point I make is that I do not know whether that 30,000 cubic yards has been taken from Project D in lieu of royalties or not. I raise that issue because I am certain that at this point in time, with all of the road work that Government has to do, 30,000 cubic yards of fill would be very helpful.

Without knowing exactly what is what with that situation, I simply raise the point in order for someone to make sure that what has to be done is done.

The Speaker: Would this be a convenient time to take the luncheon suspension?

Mr. D. Kurt Tibbetts: Certainly, Madam Speaker.

The Speaker: Proceedings will be suspended until 2.30 PM.

PROCEEDINGS SUSPENDED AT 12.50 PM

PROCEEDINGS RESUMED AT 3.22 PM

The Speaker: Please be seated.

Before the debate continues on Private Member's Motion No. 3/96, I have given permission to the Chairman of the Select Committee to Review a Register of Interests for the Legislative Assembly and a Code of Conduct to lay on

the Table an Errata which should have been attached with the Third Interim Report.

The Member for North Side.

PRESENTATION OF PAPERS AND REPORTS

ERRATA TO THE THIRD INTERIM REPORT OF THE SELECT COMMITTEE TO REVIEW A REGISTER OF INTERESTS FOR THE LEGISLATIVE ASSEMBLY

Mrs. Edna M. Moyle: Thank you, Madam Speaker.

I beg to lay on the Table of this Honourable House an Errata to the Third Interim Report of the Select Committee of the Whole House to Review a Register of Interests for the Legislative Assembly and a Code of Ethics and Conduct for Legislators, which reads as follows:

"Further to the Third Interim Report of the Select Committee having been laid on the Table of this Honourable House on Thursday 11th July, 1996, the attached Journalists Registration of Interest Form, as was recommended by the Committee in its first meeting held 20th July, 1994, forms part of the Third Interim Report including the Register of Interests Bill as recommended in that report."

The Speaker: So ordered.

Does the Member wish to speak to it?

Mrs. Edna M. Moyle: Thank you, Madam Speaker.

I will just say a few words. There has been a tremendous amount of concern among the journalists in the islands that they would be required to complete a form and declare interests as in the form for Members of this Legislative Assembly and candidates. I would just like to apologise to the journalists for the omission of the Registration of Interest Form for journalists, and hope that they will accept this Committee's apology.

The Speaker: Thank you.

We will continue with the Business of the day. Debate by the Fourth Elected Member for George Town on Private Member's Motion No. 3/96.

OTHER BUSINESS CONTINUING

PRIVATE MEMBER'S MOTION NO. 3/96

Mr. D. Kurt Tibbetts: When we took the luncheon break I was capping off two areas, namely, the Authorisation Control and Reporting of the Capital Budget, and the Public Debt. While I was having a bowl of soup a few things came to mind which I wish to clear up in regard to the points I made earlier about the Auditor General's Report on the important principle of prior parliamentary approval, which is the cornerstone of financial supply system.

I think it is possible that there may be some who will misinterpret those statements, and that it may seem that I am laying blame in certain areas where that is not necessarily the case. I wish to say that in speaking about the communication within the chain of command of Government, and the way that money should be authorised and

spent, I understand that the onus does not lie in one area. I spoke of the Treasury Department which is directly under the Financial Secretary, and while I subscribe to the belief that the Treasury should have some type of mechanism to determine if requests for monies to be paid out are duly authorised, at the same time let me make it clear that I do not think there is any onus at any other level.

To put it into proper perspective, if an elected official makes a request of a department for certain things to be done which will cost certain amounts of money, the truth is that the Head of Department should have knowledge as to the way due process should take place. While I speak of checks and balances, let me make it clear that the checks and balances should not be neglected throughout the various departments so that the onus does not fall on the Financial Secretary or any department which comes under him. That is not to say that there is no onus; I am simply making the point that the responsibilities should be borne throughout the entire chain of command.

The other thing I wish to quickly comment on is where I mentioned money being drawn down on loans and capital works not being completed, therefore the money is not able to be expended and is put in a deposit account until such time as it is used. The important thing to note here is that while the department involved (namely, the Finance Department and/or Treasury) would be dealing with the actual funds, the fact is that the communication should be in a proper sequence of events so that there is some way for those who are responsible for the work being carried out to communicate with whichever department or individual is responsible for the funds being drawn down, so that everything is in sync. I make those points simply to ensure that we understand the workings and how they should be carried on.

As I go on to deal with the public debt there are a couple of issues which I think need to be cleared up. As the Auditor General discussed, in 1994 the public debt rose by 13% from \$54.126 million to \$61.16 million. There was a statement made by the Minister for Education regarding the public debt. What he said was, **“Over the past three and a half years until the borrowing this time, even though we have put back \$90 million between capital and repayment of loans, we had only borrowed \$8.5 million - another \$10 million is not going to hurt this country. It is peanuts compared to what the last government did.”** (Hansard - 4th July, 1996). Let me immediately say that I have never been a part of any Government so I am not prepared to take issue about the last Government. But I think it is important for us to understand that within the past three years the borrowings have not just been \$8.5 million and the \$10 million just recently approved.

In the 1996 Estimates, which were presented in November of last year for the 1996 Budget to year end of 31st December, there was an approved amount of \$16.16 million to be borrowed for capital projects. This amount is referred to in the Loan Capital Projects Law, 1995 (Law 13 of 1995), which was assented to by the Governor on the 28th day of May, 1996. In actual fact there have been \$8.5 million of borrowings; there was \$16.16 million approved to be borrowed in November and the \$10 million approved recently for capital projects.

There have been arguments spewing back and forth as to how much of the money will actually be spent, and it was said earlier on that probably no more than \$10 million

will be drawn down for capital works. Having said that and having corrected the amounts that we are talking about, because they all total up to the year end projected figure that the Honourable Financial Secretary has quoted (which is in the region of \$57 million), I am still befuddled when I try to understand all of the reasoning behind the way we are dealing with these situations. If \$16.16 million were authorised in November 1995 for the year 1996, and we are probably only going to draw down on \$10 million because of works to be completed, and we have authorised another \$10 million for further capital expenditure.... I do not fathom how all of the funds balance out.

On the one hand I hear that while we agree to borrow a certain amount of money, we are actually only dealing with how much will be drawn down this year. Coupled right behind that, we have to authorise another \$10 million worth of borrowing for other capital projects which are necessary. Either I am not up to scratch or something is missing. It is not that I do not physically understand what is being said, but if we are dealing with it the way it is purported, then I am not so sure that this is the way we should be doing it. As I said very early in my contribution, I do not understand. I cannot say anything more about it. I just took that example to show some of the reasons why there is some confusion.

When the Honourable Minister for Education was speaking earlier on this Motion No. 3/96, he referred to some arguments which I put forth while debating the two Loan Bills which were recently passed. He said, **“If there was no planning, as the three Opposition Members - especially the Fourth Elected Member for George Town - allege, how could the country be where it is?”** (Hansard 4th July, 1996). Let the arguments not be twisted to say that somebody like myself is trying to say that the country is in bad shape, and that everything is going wrong and other things along those lines. I wish to make it very clear that I do not see my job here as standing up for hours wasting the people's time clapping hands and singing joys. My job, as I understand it, is to look out for the happenings in this country; and where I see things (within reason) that I believe should be dealt with in a different fashion, or that could be improved upon in certain ways - and without any authority to do that - my job is to say how I think it should be done with the hope that those in authority will pick up on it. Apparently the order of the day is that we either do not say anything of this nature, or, if we do, then we are not dealing with things correctly because all we are doing is looking to criticise.

There is a reason why people like me are over here, and people like the Government are over there. It is because of something called responsibility, accountability, and authority. With the policy makers dealing with the issues and putting forth into action the policies that they think are right, people like me are part of a system of checks and balances. So when it is mentioned that there is no planning, how could the country be where it is? I do not see the line of argument at all.

Any point I may have made in prior debates regarding anything to do at a national level and regarding the finances of this country, I simply make because it is my belief that insofar as whatever is being done, if certain things were added then things could be better. Regardless of how important it is for the Government to send the message that everything in the country is fine, none of them could say to me (and justify the statement) that there is no room for im-

provement. Suffice it to say that while any statement I make may not fall in line with the thinking.... I just hope that the points made are listened to, if not by admission then by action.

I hear statements such as, 'Instead of their taking a positive approach and trying to help the country move forward, they take a backward approach.' If my trying to do what I consider to be my job to the best of my ability in this Honourable House is considered a backward approach, then, I am sorry, but someone is totally misunderstanding not only my intentions, but also what I am trying to achieve. If anything should be expected of us in these hallowed Halls (as we were elected to defend the good things of our constituents, and the well-being and future of these constituents) it is to tell it as we see it and as we believe it, from as an informed position as possible. As long as I am here and I have a responsibility to the nation, I will never be one who gets up to speak on any issue to mislead it. If anyone thinks that any statement I make is misleading or twisted, henceforth they will have to prove that because I know better. I believe that the constituents also know better.

Moving on into another area of the Auditor General's Report, I note that in the Government Minute there is a statement made regarding pre-school grants. The area which I consider very important in this is where it says, "**In addition, steps have been taken to re-introduce the Reception Programme in the primary schools in the East End and North Side Districts.**" I think it is a fact that the primary schools in Cayman Brac never did lose the reception classes. That was good reasoning because of the fairly small population there. It is obvious that this has been to their advantage for, as reported in the CXC exams last year, the Cayman Brac High School had the best percentage of results as compared to all of the other regional institutions.

In speaking about the pre-school grants and the reception programme, there was a fairly long discussion regarding the removal of this reception class by the previous administration. So that everyone will know how I operate, let me say that I also did not think it was the correct step for the reception classes to be taken out of the primary schools. I hate to disappoint some people who might think differently, but I am not on any bandwagon where it is decided what I should or should not defend and I then simply go about making arguments for that case. That is not what I am about. My terms of reference are simple: I want what is best for my people.

It is obvious from visiting the schools since the reception classes were removed, that the children entering the Kindergarten level at the primary schools now (especially in the George Town and West Bay Districts) who did not have the opportunity to enter at three years and nine months, but had to wait until they were four years and nine months to enter the Kindergarten level (which is the first year of primary school now), are way behind the curriculum. There were arguments for and against, but I think the fact remains that it has not worked. I think there are moves to strengthen the pre-school attendance but I know that that is a battle onto itself. The important thing is that it is recognised and it appears that something will be done.

When we talk about education - and I started off with pre-school grants and the reception programme which is missing from some of our schools - I noted that in the contribution by the Honourable Minister for Education and Plan-

ning, that while talking about education, he stated "**The Fourth Elected Member for George Town talks about 'no planning'. Look at what his contemporary, Mr. Linford Pierson, did to this country.**" (Hansard - 4th July, 1996). He goes on, and on, and on. I will not even quote verbatim because for the point that I am going to make, I really have no time to be talking about others. He said there was no planning, and he is referring to a previous administration.

He stated, "**There was no planning. The only planning the last Government did was to plan how to spend money, because they spent more in four years than this country had made in the past eight years. They had no plans. They had nothing. Today, for the first time there is a 5-Year Education Plan in place, which the Fourth Elected Member for George Town apparently does not know anything about.**" (Hansard 4th July, 1996) I only draw reference to that statement because if the Honourable Minister knew that he was not going to be in the Chamber during all of my debate, he should have informed some of his table-mates to take notes. He would have then understood clearly that I made mention in my debate of the 5-Year Education Development Plan which he refers to. I really do not see how he can even try to suggest that I do not know about the 5-Year Education Development Plan. His reason for mentioning that I do not seem to know anything about it is because I made reference in another debate regarding the lack of planning in the field of education.

He said, "**Three hundred and fifty-three people: students, teachers, parents and the public put together a 5-Year Medium-Term Plan on education. And Members stand up in this House and say that there is no planning for education.**" I read the 5-Year Education Development Plan before I referred to it in my contribution. I am not perfect, but when I speak to the people of this country, I do everything within my power to ensure that I speak to them truthfully from an informed position. Sometimes when I do not speak (and people say that I should) it is because I do not take chances; it is not within my purview to mislead anybody.

He speaks about this 5-Year Education Development Plan and then he says that if I knew anything about it I would not say there was a lack of planning. This plan deals totally with strategic planning in education. I will not belabour the point, but the reference I make to this plan is that in all of the Minister's arguments trying to say that I have been pounding upon him - which in all honesty he may say and believe, but I have a job to do and I am really not speaking about the Minister, I am speaking about the lack of planning in education. If he wishes to take issue, he is free to do that. But what I think he should be doing about it if he recognises the truth in what I am saying, is to go and do what he needs to do to correct whatever is not going as it should. That is understandable. Nothing is perfect in life. Not being entirely surprised, but living in false hope that my arguments might not be taken personally.... so be it.

This strategic plan has as a very integral part of it (in order to accomplish all of the goals) the physical restructuring and preparation of the educational institutions of this country. I mentioned in another debate that the plan should determine future building needs and develop a building time line. I am not going to tempt you this evening, Madam Speaker, by going into a long line of debate about it, I just

wish to make the point that I totally recognise at this point in time the validity of the 5-Year Education Development Plan. I also wish to make clear that I, and many others - including the 353 people who prepared this document - recognise that the plan itself will have no worth if the physical structures are not available for the various sections of the plan to be executed.

With regard to the Auditor General's Report and the pre-school grants, others have made some mention of these and they are mentioned regarding making sure that the public is well informed as to the availability of these grants, and also making sure that the grants are distributed equitably. I do not have to deal too much with that part of the Auditor General's Report.

There are just a couple of things left that I would like to touch on, and one of the areas I feel compelled to speak on is an area that the Honourable Minister for Education brought to light in what seemed fairly obvious to me to be a pot shot. I guess these things happen, but nevertheless, I feel compelled to make very clear the situation which he spoke about.

He read from the 1993 Report (and I am sorry that I have to deal with the fact that he said what he said the way he said it), and I quote, **"On page 35 it states: 'It was drawn to the Audit Office's attention that in one case payment of an invoice for \$17,400 was waived. This invoice relates to the cost of installing the water distribution system in a new sub-division. The developer paid \$3,750 for materials by way of a deposit and an invoice for \$17,400 was issued in July 1993 for the cost of installation by the contractor, Petroservicios Ltd. This invoice was subsequently cancelled in October 1993 and the cost was financed from the Authority's long term borrowing.' That, we know, was a subdivision of which the Fourth Elected Member for George Town was a shareholder. In fairness to him, I understand it has subsequently been paid."** (Hansard - 8th July, 1996).

I am not prepared to say that the Minister knows everything about the situation. He mentioned that in 'fairness' to me the money was paid. But, even though he knew the money was paid, he had to drop an innuendo to those listening that maybe I have a dishonest streak in me. Let me quickly reply to that situation.

First of all, I had no knowledge, nor was I aware of that situation until a Member of this Honourable House who was on the Public Accounts Committee brought it to my attention when the Public Accounts Committee was dealing with the 1993 Report. Having learned about it, I sought to get a full understanding. I went to the Auditor General. I went to two members of the Board and I went to the then Acting Director of the Water Authority, just to ensure that I understood what was happening. Unfortunately, it was not a matter that I was dealing with personally and I simply did not know what had happened.

What is important here, and I wish to make it very clear, is that if anyone, including that Minister, was about to make any inference that maybe I was not the 'old honest Joe' that I purport to be, they should give me enough credit so that even if I was not honest enough to know that, I would have better sense than to expose myself to people like him for \$17,000. After it was explained to me what had happened, and there was a payment for the materials but

the labour had not been paid for, even though this invoice, as the Auditor General mentioned, was cancelled (which I had not, and still have not seen); although I was told by everyone I spoke to that this was an action by the previous Director of the Water Authority and there was no responsibility on my part to pay these funds, I ensured that the funds were paid because I had knowledge of it. I will probably hear other versions of the story between now and November 1996, and I guess I am prepared for that. I am just using this forum to speak the truth about the situation.

The Minister went on to say, **"I guess, taking this joke generally and lightly and looking at the two areas of \$17,400 and the water bill reductions** [that being inference to something that he keeps chiming about Mr. Pierson], **I would say that water-birds of one feather, flock together."** (Hansard - 8th July, 1996). Out of an abundance of caution, being very careful that I am not being anything other than what I am supposed to be in this Honourable House, I am actually going to defer from saying anything about that. I guess it is probably best to sometimes leave well-enough alone.

Mr. Roy Bodden: Preach, brother, preach.

Mr. D. Kurt Tibbetts: Sir Winston Churchill once said that the truth is incontrovertible. Malice may attack it, ignorance made deride it, but in the end there it is; it still stares you right in the face. So true is truth.

I had a few other points to deal with, but I am sure somebody else wants to speak regarding Private Member's Motion No. 3/96. I trust that my contribution is accepted in the right forum, and I trust that those who have to deal with the specific parts of it will understand my reasoning in the various areas that I made. I hope that in debating this Motion and talking about the Auditor General's Report of 1994 and the Report of the Public Accounts Committee on that report and the Government Minute, that by the time it is all over it will serve for the betterment of the running of Government and that in the future we will not hear the Public Accounts Committee making mention of the same things that they have in the past. As we continue to work towards good Government, whoever the players in the game are as time goes on, they will continue to make every effort, as I am, to make it right.

Thank you, Madam Speaker.

The Speaker: It is now 15 minutes past four. Does another Member wish to continue the debate?

Is the Mover of the Motion prepared to begin the winding up? The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Madam Speaker, I have been having some severe problems with my throat for the past few days. I ask if the House would take an adjournment at this time and allow me to reply on Monday. I would appreciate that. I would ask to so move that the House be adjourned to allow such.

The Speaker: Are you moving that motion now?

Mr. Gilbert A. McLean: Yes, Madam Speaker.

The Speaker: Is there a seconder to that Motion?
The First Elected Member for Bodden Town.

Mr. Roy Bodden: Yes, Madam Speaker, I respectfully wish to second that Motion.

ADJOURNMENT

The Speaker: The motion has been moved and seconded that the House do now adjourn until Monday morning at 10 o'clock. If there is no debate I shall put the question. Those in favour please say Aye... Those against No.

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until Monday morning at 10 o'clock.

**AT 4.16 PM THE HOUSE STOOD ADJOURNED UNTIL
10.00 AM, MONDAY, 15TH JULY, 1996.**

**EDITED
MONDAY
15TH JULY, 1996
10.17 AM**

The Speaker: I will ask the First Elected Member for Bodden Town to say prayers.

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 II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated.

Order. Proceedings are resumed. Question No. 112, standing in the name of the First Elected Member for Bodden Town.

**QUESTIONS TO HONOURABLE
MEMBERS/MINISTERS**

WITHDRAWAL OF QUESTIONS NOS. 112 and 113

Mr. Roy Bodden: Madam Speaker, I seek the leave of the House to withdraw these two questions, seeing as the information sought in them has been received from elsewhere.

The Speaker: The question is that the House grant permission for the withdrawal of Questions Nos. 112 and 113, as the information has already been provided. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The questions are accordingly withdrawn.

AGREED. QUESTIONS 112 AND 113 WITHDRAWN.

The Speaker: The next Question is Nos. 114, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 114

(Deferred)

No. 114: Mr. Roy Bodden asked the Honourable Minister responsible for Tourism, Aviation and Commerce what regulations exist with regard to production and sale of beer at the local brewery.

The Speaker: The Honourable Minister responsible for Tourism, Aviation and Commerce.

Hon. Thomas C. Jefferson: I beg leave of the House to have this question deferred until later. The question arrived at the Ministry on Friday afternoon and there was some confusion as to whether it was on or not for this morning. So I ask leave of the House to defer it, please.

The Speaker: The question is that Question No. 114 be deferred until a later sitting. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The question is accordingly deferred.

AGREED. QUESTION NO. 114 DEFERRED.

The Speaker: Question No. 115, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 115

No. 115: Mr. Gilbert A. McLean asked the Honourable Temporary First Official Member responsible for Internal and External Affairs what the total number of posts in the Civil Service was as of May, 1996, with a breakdown by year from 1992.

The Speaker: The Honourable Temporary First Official Member responsible for Internal and External Affairs.

Hon. Donovan Ebanks: The total number of Established Posts in the Civil Service for the period as at 31st December, 1992 to 31st May 1996 is as follows:

As at 31st December, 1992:	1,701
As at 31st December, 1993:	1,665
As at 31st December, 1994:	2,019
As at 31st December, 1995:	2,148
As at 31st May, 1996:	2,203

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Could the Honourable Member say if the recent developments with regard to group employees will have any significant effect on the figure as at 31st May, 1996, or does it include those?

The Speaker: The Honourable Temporary First Official Member responsible for Internal and External Affairs.

Hon. Donovan Ebanks: These figures do not include group employees. I know of nothing in recent times which would have converted group employees' positions to what is referred to under the General Orders as 'Established Posts'. There was an amendment which was successful in upgrading the pension entitlement of group employees to the equivalency of that of holders of Established Posts.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Could the Honourable Member say if all of the 2200 posts are filled up to the 31st of May this year?

The Speaker: The Honourable Temporary First Official Member responsible for Internal and External Affairs.

Hon. Donovan Ebanks: No, Madam Speaker. As of that date there were 218 vacancies representing 9.9% of that complement.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Member say if the Group Employee Post, which now receives the same pension benefits as the permanent pensionable establishment, will ever be called 'Established Post' or will it remain as it is?

The Speaker: The Honourable Temporary First Official Member responsible for Internal and External Affairs.

Hon. Donovan Ebanks: I am unable to say that those posts will at some point be converted to Established Posts. There remains one other difference relating to entitlement for medical benefits which Group Employees qualify for after three years of service, as compared to holders of Established Posts who, other than temporary occupants of those posts, qualify for it immediately.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: For purposes of clarity, is the only main difference between the Group Employee and the Established Post that there is a three year layover for any medical benefits for them, while the medical benefits are immediate for the Established Post?

The Speaker: The Honourable Temporary First Official Member responsible for Internal and External Affairs.

Hon. Donovan Ebanks: That remains the only substantial difference.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: In the figures given here for the year ended May 1996, are civil servants who may be working in Statutory Authorities included, or is this basically only central Government?

The Speaker: The Honourable Temporary First Official Member responsible for Internal and External Affairs.

Hon. Donovan Ebanks: This would be central Government with the exception of (and I do not have a number on that) some civil servants who are held against posts but who are on secondment to Statutory Authorities. I can give an undertaking to the Member to provide that information if he wishes to have it.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Member say if those individuals employed with the Statutory Authorities who are not part of the Established Posts receive the same benefits as the Established Posts, or do they vary depending upon which Statutory Authority it is?

The Speaker: The Honourable Temporary First Official Member responsible for Internal and External Affairs.

Hon. Donovan Ebanks: I expect that there are some slight variations between the Statutory Authorities in terms of their benefits packages. I think the menu offered by central Government is certainly a guide in terms of what they provide.

The Speaker: That concludes Question Time for this morning. Proceeding with Government Business, Bills. The National Pensions Bill, Second Readings. Reply by the Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

GOVERNMENT BUSINESS BILLS SECOND READING

NATIONAL PENSIONS BILL, 1996

(Continuation of Debate thereon)

Hon. W. McKeeva Bush: Thank you, Madam Speaker.

I have listened intently to what the various speakers had to say on the Bill. I have also made many notes on their speeches. I must say that there were some very good contributions. Even though the Opposition Member who tore me apart on the public platform was 'out to sea' on many occasions during the debate, he had to agree with the National Team's position. I will deal with these matters in as much detail as possible.

I want to thank you for your indulgence as I was unable to be in the Legislature on Thursday afternoon due to a funeral, and Friday due to other matters. I do thank the House.

Although there were good contributions from most Members, there were tongue-in-cheek contributions by the Opposition. This did not surprise me, seeing that the Member was absent during much of my contribution on Wednesday. There are a number of points that were raised by the First Elected Member for Bodden Town, to which I will reply and try to clarify.

One of the matters raised was that the Member wanted to see a much more aggressive public relations and education campaign. The truth is that we have done as much as we can. If that Member and the Chamber of Commerce would cease their reckless and misleading public misinformation campaign, the Government would not need to run a more aggressive campaign than we are running now.

Hopefully, that Member will agree that the public relations and education campaign which the Ministry has implemented through the GIS is effective, and mirrors what he also tried to take credit for suggesting. I repeat that this programme involves a very broad-based committee which met from October 1994 to September 1995. It involved a survey of all employees on the island, a genuine consultation period from September 1995 to May 1996. There were appearances on Radio Cayman's Open Line, CITN's Daybreak and Issues 27, press stories and articles. Focus was placed on other discussion groups and on discussions and meetings with employers/employees and associations, providing answers to numerous telephone inquiries. I held public meetings in which I spoke about the scheme and dealt with the publication and circulation of 10,000 copies of an explanatory brochure, as well as the ongoing monitoring and evaluation. Hopefully, that Member and the group he belongs to, the Chamber of Commerce and others who have been confusing and alarming the public, will now make a constructive contribution towards educating the public and implementing this much needed scheme.

The First Elected Member for Bodden Town ventured off course and began to discuss (he reform of the Chilean Pension System. He did not seem willing to give full credit to the fact that the Chilean Pension System is now the envy and model in the world. They changed from the antiquated social security state scheme, similar to the previous Government's and Team Cayman's choice. They have changed to a fully funded, progressive, defined contribution and a private alternative.

To clarify any misunderstanding the House may have on points made by that Member, I will take some time to review the evolution of the Chilean Pension Reform. This is particularly relevant because our Advisory Committee also took guidance from that system. I had hoped not to have to go through the technicalities of that system, but because the Member was the only one who spoke for the Opposition and went on a public campaign about the Pension Scheme, I will take the opportunity to speak briefly on it.

Social Security was introduced in Chile in 1920 with various Pension Schemes existing simultaneously. In each case these schemes were designed to satisfy the requirements of the different occupational groups. A common characteristic of the various schemes and institutions dealing with pensions was that they all operated under the pay-as-you-go system. This system is similar to that which the previous Government tried to put in place and which Team Cayman (the greatest opposition outside of the Chamber of Commerce to what we are attempting) favours.

Retirement pensions were financed by contributions paid in by workers. Therefore the survival of the system was subordinated to the prevailing active and passive ratio (that is, workers to retirees ratio) of the population at all times. During its early years of operation, the proportion of active contributors

was sufficient to finance the pensions of retired or other passive members. However, demographic changes, reflected in a permanent decrease in the birth rate and an increase in the average life-span, reversed this ratio and caused a significant negative impact in the financing of the system in Chile.

While in 1960 there were nine pensioners for every 100 active contributors, in 1980 there were 45 pensioners for every 100 contributors. In other words, the same 100 contributors that financed the pension of nine retirees, by 1980 had to finance the pension of 45 beneficiaries. This situation was compounded by the strong temptation to evade payments of compulsory employer and employee contributions, given that the worker's contribution in the latter years of his life were critical in determining his pension benefits.

Consequently, there was a built-in incentive to minimise contributions in the early years. This situation obliged the Chilean state to repeatedly increase the level of pension fund contributions which resulted in a higher level of avoidance. A major characteristic of the system was its absolute lack of equanimity since there was no direct relationship between workers' contributions and benefits obtained. There were marked differences among the various groups covered.

While 70% of the workers (usually those in the lower end of the income scale) received only 30% of the benefits, 30% of the workers (particularly those in the upper income bracket) received 70% of the benefits paid. Such a situation was susceptible to significant political risks, with the political authorities deciding which groups would receive greater benefits depending upon the political pressures exerted by the groups.

This situation was exacerbated further by the high level of inflation which eroded the benefits paid, as well as placing an increasing financial burden on the system. The lack of fairness in the pay-as-you-go system, and the shortage of funds, led to the reform of the system and the introduction of the new pension system based on individual capitalisation administered by the private sector.

There was a new pension system created at that time for Chile. The new system, introduced in 1982, is based on individual capitalisation of mandatory pension contributions made by workers, and is therefore a defined contribution based system, the same as we have proposed. This means that each worker affiliated with the system makes mandatory monthly contributions to a pension fund which is accumulated in an individual capitalisation account. This increases according to the contribution made by the worker and by the return on investment obtained by the fund. Funds accumulated in each account are portable and are the property of the individual worker.

I trust that the Member who delved into that area understands the difference. I hope that their political counterparts on the outside will also understand what we are doing.

The First Elected Member for Bodden Town also commented on the civil servants' pension plan also being covered by this legislation. He supported his argument by reminding us of the unfunded liability for pensions which currently exists for civil servants.

It is unfortunate that some Members have not yet heard from the Civil Service publicly. Much has been said in the past few weeks about the exemption of the Government in respect of its own employees. I have indicated my intention to move a pair of amendments during the Committee stage to remove the exemption, and to provide

a facility for Public Service employees to be brought under this law in the future. I also indicated while presenting the Bill that the Government stood willing to entertain whichever preference the Public Service expressed.

The Honourable Third Official Member responsible for Finance and Development told this Honourable House one day last week that a team of four senior civil servants had recently been comprised to review the existing pension plan. They will consult with civil servants to determine if they would rather remain under the Civil Service pension scheme or be placed under the proposed National Pension Plan.

In order to ensure that this team, the Civil Service Staff Association and the Civil Service as a whole are able to deal with the matter properly, I wish to also announce that the Government will support the effort by, hopefully, providing an individual with the necessary expertise and experience to provide sound objective and professional advice.

Finally, I wish to give this Honourable House and, in particular, the public servants of this country, my assurance that the Government of which I am a part stands ready and willing to entertain the desired course which the majority of public servants wish to pursue with regard to their pension.

It can be said that the civil servants in the country have a pension plan. As far as I know, no one in this country, who as a public servant was promised a pension and who became eligible for it, was denied that pension. Simply covering civil servants in this legislation will not do very much in the short-term, that is, less than 10 to 20 years, to eliminate that liability. I believe that there was an editorial on that matter too.

As I said in my presentation, the Civil Service Scheme needs to be reviewed and possibly revamped. The question of funding, vesting portability, benefits involved, involvement by members, removing provisions for pensioners to lose pension entitlement, and so on, are my personal views. This all needs to be addressed. But, as I said, hopefully this reform will evolve into a Civil Service Pension Plan which complies with all of the provisions of this law, possibly even exceeding it. Thereby, the Civil Servants will have an even better scheme than they have today.

This is the purpose of the Bill, is it not? We are not creating something like the First Elected Member for Bodden Town talked about, where Government was going to collect money. This is not the purpose of the Bill. The purpose of the legislation is to make new or existing pension plans the best they can possibly be for the benefit of the employee and the employer.

Team Cayman did not have their way in this country. They will not get a pension system such as a social security system because I do not think that anybody wants it except those who were proponents of it a couple of weeks ago. In fact, during the months of May and June, when Team Cayman went throughout this country trying to educate (and certainly misleading) the public on their wishes for a social security system, I also announced in my presentation other amendments which have been tabled.

It is unfair for the Chamber of Commerce to allege, and the First Elected Member for Bodden Town to repeat those allegations, that the Bill before us is significantly different from that of the September 1995 draft. The only change of

substance which has not yet been reinstated by means of Committee stage amendments is this idealist (I call it) and very cumbersome referendum procedure relating to any amendments to the law when it comes into force. I already addressed that when introducing this Bill last Wednesday.

I wish that the Chamber of Commerce would get a sense of direction. As an employer/special interest group, they seem to have lost their direction and are very biased in this regard. I trust that they will try to focus more on matters relating to commerce, such as training, assistance to small businesses, investment guidance; fostering better business practices, such as pricing and service amongst their members. They could encourage better labour and hiring practices amongst their members, rather than meddling with everything else in this country. They are not an elected group. The quicker that group realises that, the better off this country will be. They are not an elected group. Until they put their thousand dollars up and stand where we can shed some spotlight on them and get them elected, they should not delve into the areas that are Governmental only.

Yes, they can give advice, but it has not gotten to that point. This is a ridiculous stage from whence hatred and political victimisation is produced in radio announcements and in the written and televised media.

The First Elected Member for Bodden Town seemed to have missed the rationale for the regulations not being presented at this time. This is not surprising, seeing how little attention he paid to our public education and my presentation last Wednesday. In fact, his - and this is the crux of the matter when it comes to regulations coming together with this Bill - inability to absorb the provisions of this Bill on its own adds credence to Government's argument that circulating the regulations with the Bill would have been too much for the public to reasonably be expected to comprehend.

I doubt that even he (who claims to be an academic) could handle the regulations and the Bill simultaneously. As I mentioned, this Bill is very comprehensive. Many of the provisions usually found in regulations are found in this Bill. I expect that the Legal Drafting Department will prepare the regulations to be presented to this Honourable House in September, in accordance with the request and drafting instructions which were sent to that department on 24th May, 1996.

The First Elected Member for Bodden Town also claimed that the Bill was discriminatory towards Caymanians in that it excludes expatriates who have been working here for two years or less - surprisingly, something that came from the Chamber of Commerce. I would never have thought that in my political career I would have heard the Chamber of Commerce talking about the hiring of Caymanians that positively. This exclusion was made by the Government based on verbal and written representation from the public concerning the potential administrative costs of including short-term expatriates on pension plans and pension records. In order to maximise the benefits to Caymanians it was decided to exclude short term expatriates at that point. I note that the First Elected Member for Bodden Town went on quite a bit about my championing the cause of the Caymanian people. That was not the first time that I heard that. I also heard it in his public meeting.

I do not think that anyone can question my determination or my good will in getting things done which benefit the people of this country. The bunch of them went from one end of this country trying to make me look bad and tried to derail the Housing Scheme. That same Member gave all kinds of scenarios of how the

scheme would not work. We now have over 120 new families with their own homes.

Anyone listening to them is bound to fall into rot and dry ground. They cannot succeed because that group does not know what they are talking about. If it is not written in a book, then they cannot push it forward. The books which they read pertain to systems and situations which existed in the 1920s, and probably in A.D. 2.

Due to subsequent input and discussion within the National Team Government it was felt that this exclusion may, in fact, have disadvantages in other areas. Additionally, it is also recognised that with our prevailing labour and immigration situation many of these expatriates may be here for longer than two years.

Accordingly, as mentioned by the lady Member from North Side, and subsequently by the lady Member from George Town, Government has circulated a Committee stage amendment which will reduce this exclusion for short-term expatriates from two years to three (3) months. This, again, demonstrates that this Government is sensitive to public representation, and always tries to accommodate sensible and constructive feed back.

I want to give this House a brief scenario. That Member (and others) are saying that having to provide for the many expatriates here for two years is going to be inflationary, and ask would that not add to the employers' cost? Would it not send up the cost that much more than if they did not have to provide for it? To hold an argument without looking at all of the aspects does not make sense. There is a possible scenario.

That Member also complained about the discretionary authority of the Superintendent of Pensions to fix fees. I had to wonder just where the Member was going. Does he expect that Government should establish a well qualified, equipped and efficient inspectorate (something that must be), and not try to recover as much of the operating costs as possible? Is that what he is saying? That is the only deduction that I could make of it.

It is only reasonable to expect that Government should try to off-set the cost of operating the inspectorate by assessing fees for registration, fees for annual renewal, etcetera, of private approved providers and administrators. Other departments and agencies do. It is in the interest of the employer and employee that a proper inspectorate is in place. A small fee of between \$5 and \$10 per employee per year is a good investment in ensuring this supervisory function.

It is reckless for the First Elected Member for Bodden Town to suggest that these reasonably low fees will eat into the value of the investments in the retirement fund.

To show his inconsistencies again, he and his colleagues often try to criticise Government concerning fiscal responsibility - they move motions, they go from one end of this country to the other on national television, and everything else, talking about fiscal responsibility. Yet he is now trying to say that Government departments or units should not try to operate with fiscal prudence! As I said, inconsistency is the big brother to instability.

That Member also tried to impress this House with his knowledge of the defined benefits and defined contribution pension schemes. Again, he was only confusing the public. I know the predicament that the Member is in, because he went from one end of the country to the other speaking against the scheme. He never came and offered some kind of support. His team is against him. I understand his predicament and his confusion.

For the benefit of all Honourable Members of this House, and the public, I would like to provide some details on these two types of common pension plans. This article, written by Messrs. Bodie, Marcus and Merton, from the Boston University, the Massachusetts Institute of Technology, and the U.S. National Bureau of Economic Research, is very instructive and is relevant to this debate, seeing that there is some misunderstanding concerning these two types of plan.

I quote: **"Many fine benefit plans appear to subject workers and employers to unnecessary earning risks by tying the pension payment to the average of earnings at the end of workers' careers. While hedging inflation, such provision means that workers' pensions are very sensitive to earnings late in their careers.**

"Such earning may be unusually low for reasons including poor health, changes in market conditions, and so on. Other defined benefit plans relate the pension to longer averages of earnings which make the initial real pension benefit potentially quite sensitive to inflation.

"Still other defined benefit pensions are independent of earnings, positing a nominal benefit that depends only upon service. The real values of these latter pensions are also very sensitive to inflation.

"In contrast to the defined benefit plan, defined contribution plans appear to be respected for their real rate of return. However, as the authors point out, one can devise close to risk-less portfolios that get around this objection. In addition, they make the important point that defined benefit plans are also sensitive to the real rate of return because changes in real rates alter the present value of future defined benefits.

"Once workers retire, the defined benefit pensions are subject to considerable inflation risks. While many firms do provide cost-of-living increases on an ad hoc basis, these increases do not keep pace with inflation, as one Mr. Robert Clark has shown in his study of cost of living increases in the 1970s. In contrast, defined contribution plans give workers the option of withdrawing their funds and investing them themselves.

"As mentioned, one can safely hedge inflation and secure a real, if minuscule, rate of return. The problem is, however, that many retirees may not know how to devise such risk-less portfolios, which involves using future commodity markets. While financial markets could provide such safe assets, they do not appear readily available at the current time.

"A problem with defined contribution plans not discussed in detail by the authors is that defined contribution plans that pay off at retirement do not provide retirees with an annuity, and, therefore, do not provide retirees with insurance against life—span uncertainty. Those that do pay off in the form of an annuity provide a stream of nominal retirement benefits that are subject to inflation risks just like the benefits of defined benefit plans.

"Another important issue that the authors do not consider is whether defined benefit plans are too complicated for workers and, indeed, even employers to understand and properly evaluate.

"It is not typical to find a defined benefit plan that has (1) an age and service related benefit formula; (2) an average earnings base; (3) age and service dependent early retirement reduction formulas; (4) special early retirement supplemental benefits; (5) actuarial reduction for workers terminating prior to early retirement.

"To calculate correctly one's accrual of benefits in such plans requires actuarial skills which typical workers

do not possess. In addition, in many cases, even if the workers possessed the skills, the booklets describing the pension plans are so poorly written, if not intentionally misleading, that it is very difficult to figure out what one is actually receiving. Hence an important advantage of defined contribution plans is that they provide workers with better information about their retirement finances.

“My guess is that defined benefit plans emerged because they were attractive to older union members and employers who thought that they could generate strong retirement incentives without being explicit about those incentives. In the process, the country has been straddled with a very risky private pension system that provides insufficient information for both workers and employers about benefits and the cost of financing retirement.”

I trust that the Member understands a little bit more about defined benefits.

That Member also tried to criticise the defined contribution plan by saying that the defined benefits plan is superior, in that it defines the benefits which one can expect at retirement. I trust the article which I just read will help to show him the shortcomings of his assumption and the danger of listening too much to people who are just putting across opposition and not being constructive. I know where he got his information from.

He may also find it interesting that to assure contributors that they would receive their defined benefits, many such plans have to establish a guarantee fund. Ontario, Canada, for example, has a pension benefits guarantee fund in place which is intended to provide supplementary protection for defined benefit plans in the event of a plan wind-up, or where there are insufficient assets to pay for pension benefits. The fund is financed through assessments on that Province's defined benefit plans. Provision is also made for a Government loan to the fund in the event of a shortfall.

The pension benefits guarantee fund in Ontario is currently in a significant deficit position due to the failure of one large pension plan. The Ontario Government now feels that the guarantee fund represents an inappropriate assessment against the fund of the pension plan, as well as being a potential tax risk. That Government is considering replacing its guarantee fund with more stringent funding rules and other benefit safeguards.

So, while a defined benefit plan tries to safeguard a particular retirement benefit, there are some dangers and costs associated with actually receiving a benefit.

The Legislative package which we are proposing at this time reflects the clarity, specifics, and stringent rules which will allow the operation of the approved plans to be smooth.

That Member went on to say that he prefers the defined contribution type of plan because it is easier to manage, easier to explain, and safer. This Government and I agree. But as a democratic Government we have to allow freedom of choice. Many of the plans which have been in existence for many years in Cayman are the defined benefits type.

Is the Member (or his group) suggesting that these defined benefits plans be outlawed and all of the long-term workers in these companies should have to lose their accumulated benefits? That is what would happen if we went his way.

The First Elected Member for Bodden Town also commented on the investment strategies to be employed by the investment managers for all of the approved providers which may be registered to offer pension plans in this country. I do not think that the Member is qualified...

Mr. Roy Bodden: Madam Speaker, on a point of order.

POINT OF ORDER

(Misleading)

The Speaker: May I hear the point of order, First Elected Member for Bodden Town?

Mr. Roy Bodden: Yes, Madam Speaker, *Erskine May*, page 381. The Honourable Minister is deliberately misleading the House and misconstruing what I said. I did not offer any comment on the investment strategy of the persons in his pension plan. I outlined the model that I preferred, and went on to outline how the administrators should be differentiated from those persons handling the investments. I did not say that was what should be done in his case.

The Speaker: Honourable Minister, do you have the quotation by the Honourable Member?

Hon. W. McKeever Bush: No, Madam Speaker. But I will give him the benefit of the doubt and withdraw what I said.

The Speaker: Thank you.

Hon. W. McKeever Bush: I will do that. But from what I remember, he delved into something he did not know about. He mixed up the speech that I gave and what he had said on the public platform. The Member got in trouble because they are a 'team', and that team is calling for a social security system.

Mr. Roy Bodden: Madam Speaker, on a point of order.

The Speaker: May I hear the point of order, First Elected Member for Bodden Town?

POINT OF ORDER

(Misleading)

Mr. Roy Bodden: The Minister continues to mislead this Honourable House. Again, I clarify that no member of Team Cayman, to the best of my knowledge, has called for any Social Security scheme.

The Speaker: Honourable Minister, I am sure that I distinctly remember that nothing was said about a Social Security scheme.

Please continue, and just leave off anything that you may think other people have said, without having it in front of you to clarify it.

Hon. W. McKeever Bush: I crave your indulgence, Madam Speaker, because here is where those Members are so inconsistent and downright dirty on the public platform in misleading the public when they go out to 'educate', as they say... and they expect to come into the House and be free from it. They cannot do that.

Here is the *Hansard*. Here is what their leader, Team Cayman's leader, had to say.

The Speaker: That is the *Hansard* of what date?

Hon. W. McKeever Bush: It is a speech given by the Second Elected Member for Cayman Brac and Little Cayman.

The Speaker: In the House?

Hon. W. McKeeva Bush: In this House.

The Speaker: What date is that, please?

Hon. W. McKeeva Bush: I do not know the exact date, but you can have the *Hansard*. You may have been provided with a copy. I would like to quote...

The Speaker: Please, before you start quoting, what is the date? I should have a copy of that too, so that I can also verify it.

Hon. W. McKeeva Bush: It was on the Budget...

Mr. Gilbert A. McLean: He does not know what he is talking about.

The Speaker: Excuse me. One Minister is standing. I do not need to have another person speaking.

I need to have the date, otherwise I am not going to allow you to quote from it.

Hon. W. McKeeva Bush: Madam Speaker, it is a *Hansard* of this Honourable House.

The Speaker: I need...

Hon. W. McKeeva Bush: No, Madam Speaker, let us give due deference where deference is due. The Member has said that they did not ask for a contribution, and his team-mate, his colleague in this House...

The Speaker: Honourable Minister, I have asked that I be supplied with a copy of that with the date as well.

Hon. W. McKeeva Bush: I think that is rude of you, Madam Speaker. Can I give you this copy?

The Speaker: If you have another one to quote from, certainly.

Hon. W. McKeeva Bush: You need a copy and here it is. Will the Serjeant please take the copy'?

The Speaker: That is all I am asking for.

The Speaker: I cannot remember the date, but it was a speech given by the Second Elected Member for Cayman Brac and Little Cayman, because I remember I went out and addressed a pension group and I had to use his remarks about asking... and you will find it noted there... he said that all the country needs is a social security system, one that his friend Mr. Miller wanted.

The Speaker: Honourable Minister, if this is a statement that he made in a discussion on the National Pensions Bill, I can allow it. If this referred to some other discussion.... There is no date on this. I cannot allow you to quote from this.

Hon. W. McKeeva Bush: Madam Speaker, with all due deference, please, that is a *Hansard* of this House. Do not tell me that I cannot use that as a reference to what the Member said, when one Member said that they have never wanted a social security system.

Please, the Member has said that he...

The Speaker: What I am saying is that this may be a recording... there is no date, I have no verification that this is from a *Hansard*. There is no date on this, Mr. Bush, please.

Mr. Gilbert A. McLean: Madam Speaker, on a point of order.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

POINT OF ORDER

(Misleading)

Mr. Gilbert A. McLean: The records and the *Hansards* of this House will show that I have said nothing regarding this Pension Bill that is before the House. Only about two or three people spoke on that, and the Minister has been bellowing on it since last week, and he is on it again today. Where I come in, and what I said about a social security system, I do not see any bearing whatsoever since I had nothing to say on this Pension Bill.

That may be relative to something in the past where the Social Security Bill may have come before this House, but it never came into existence. I do not know what he is talking about.

The Speaker: I just need to say that at the end here I see, "Debate continues on the Appropriations Bill." I do not see what subject this debate refers to that the Honourable Member is dealing with. I need to say that the matter of social security should not be continued any further, please. Just deal with the National Pensions Bill and the contributions made by Members here.

Honourable Minister, please continue.

Hon. W. McKeeva Bush: I will bow to your ruling. But that is a copy of the *Hansard* of this House. It carries the speech by the Second Elected Member for Cayman Brac and Little Cayman where he spoke about the need and what I - referring to me as the Minister responsible for Social Services - should do. If you say that I cannot use it, fine. But it still does not absolve those two Members from telling lies on the outside and coming to this House making themselves look like Christians. That is hypocrisy!

They think they are free because I am not allowed to read what they said. But it is very pertinent. It is a 1994 *Hansard*, if I can recall properly, in the Budget debate. The *Hansard* reporters have the date. Anyway, you say I must not read it.

The Speaker: Would the Honourable Minister wish a suspension at this time?

Hon. W. McKeeva Bush: Yes, I better take it. Thank you.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED At 11.26 AM

PROCEEDINGS RESUMED AT 11.57 AM

The Speaker: Please be seated.

The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture continuing the debate.

Hon. W. McKeeva Bush: As provided in section 51, General Investment Guidelines will be prescribed in the regulations. These will guide the investment managers to

invest the funds into a mix of secure investment vehicles that will provide various retirement objectives. I am not an investment manager, and I do not think that anyone in this House is. We should not purport to be such. That is why we will have investment managers - because they know the markets and the different areas to deal with, and we must leave investment to those people who know about it. I will not pay any regard to what the Opposition has to say concerning investment policies.

In regard to maximising the fund, I reiterate that the law proposes that there be regular actuarial assessments of the approved pension plans, particularly the defined benefit plans, as well as careful scrutiny by the regulators of the investment performance.

The First Elected Member for Sodden Town and the public should also note that there will be distinct lines separating the functions of administration and investment management. The investment manager will have to abide by the guidelines, and will be accountable to the administrator and the members of the pension plan for the performance and stewardship of the pension fund, as well as to the Superintendent. I say to the Member that he should re-read clauses 16 and 20 of the Bill to refresh his memory on the protections in regard to this.

Unlike most existing pension plans on the island, as well as the social security scheme which the previous Government tried to introduce, this Bill provides for representation and involvement by both employers and employees with the administration of their pension plan. Clause 19 provides for an advisory Committee, clause 21 provides for a notice of proposed amendment, and clause 22 provides for an annual statement of pension benefits. These are the areas which demonstrate the representation that is available to Members.

The Member speaking for the Opposition also sounded some dooms-day prophecy regarding the impact of this pension law on the economy, and seemed to agree that employers should rush to recoup their contribution by tacking on an increase...

Mr. Roy Boddén: Madam Speaker, on a point of order.

POINT OF ORDER
(*Misleading*)

The Speaker: May I hear the point of order First Elected Member for Boddén Town?

Mr. Roy Boddén: The Honourable Minister speaking is continuing to mislead the House and is imputing false motives and intentions to what I have said. I did not agree, nor did I suggest, that any employers should rush to recoup any contributions.

I crave the Chair's indulgence in asking the Honourable Minister to desist from this mischievousness.

The Speaker: The Chair should not be asked for indulgence, the Chair just has to see that what is said is not misconstrued. Would the Honourable Minister say if that was his opinion of what the Member said, or were they his actual words?

Hon. W. McKeeva Bush: Well, Madam Speaker, a rose by any other name is still a rose. If he said that he was not egging them on, then so be it. This morning he was on the television talking about what they will do and what they can do. It is putting ideas in their minds...

The Speaker: Are you prepared to withdraw your first statement?

Hon. W. McKeeva Bush: Yes, Madam Speaker, he is such a good Christian these days I will withdraw that.

The Speaker: Shall we leave Christianity out of it at this time, please?

Hon. W. McKeeva Bush: No, Ma'am because...

The Speaker: No, no, no. Let us not talk about someone being a good Christian or anything.

Will you proceed, Honourable Minister?

Hon. W. McKeeva Bush: Yes, Madam Speaker. I just wish that he would exhibit good Christian values at all times.

Anyway, as I said, in his speech on what they call the 'education of the public' on pensions, he has been talking about this impact on the economy. He seemed to be saying that there is going to be a rush to recoup their contribution by tacking on an increase to the price of their goods and services. He did not say whether he had tried to educate the contractor, for instance, who suggested that the prices would have to go up by 20% as a result of the Pension Law. That is a bit heavy, as far as I am concerned. But one never knows in this country. This was a great opportunity for him to practice what he preaches by trying to instill good economic and pricing logic to these persons.

I note that the Cayman Contractor's Association - has recently come out with a statement saying that their wage rates had gone up, and one of the reasons for that was the Pension Bill! I know that there are some employers who will use any excuse to bump up prices. I trust that the Chamber of Commerce and the Council of Associations will now turn their attention and energies towards fostering reasonable and economically-sound pricing policies amongst their members - now and in the future - so as to avoid this type of exploitation of the consumer. In no way do I believe or agree that there is going to be a 20% inflation rise because of this Pension Bill.

It is not good economics, good finance, accounting, or logic for that matter, to suggest that by having to contribute 5% towards a pension the employer will have to add a straight 5% across-the-board increase on the price of their goods or services. We all know that salaries and benefits amount to between 20% to 50% of the total operating cost of a business. Therefore, a 5% increase in the salaries/wages and benefits does not translate into a 5% increase in the operating costs. If salaries/wages and benefits amount to 20% of the total operating cost then the 5% increase on the salaries bill will translate to a 1% increase in operating costs. This truthfully is what may be passed-on or recouped. I am not an accountant or economist, so we will wait to see what happens in the country.

Notwithstanding what I have just outlined, section 46 provides a 5-year phasing in option for contributions. Government and the Advisory Committee recognise that the inflation cycle will be a factor with introducing a pension system; that is why a phase-in provision was incorporated in the Bill. I cannot understand any Member debating the Bill and talking in such depth about the inflation that this will create, then go on national television and talk about it again

and not mention that there was a phase-in provision. I wonder why? I wonder who was trying to be mischievous there? Some people do their job best by causing alarm and by frightening people.

I trust that employers will use this phase-in option (if needed) as well as fair and sound pricing practices in accommodating the impact of this law.

In regard to the employees, I agree that all of us in this House, Government and non-Government organisations, should intensify efforts to remind them that their contributions are not a tax (as was being said on the public platform), but a deferred income which is theirs alone. They will get that back at a later date, and it will allow them to enjoy their retirement without being a burden to their families or to the taxpayers.

The biggest attempt to discredit to this Law, and what I and the Government are attempting to do, is to go out and tell the people that they should not pay because this is a tax. Every one of us in this House sees what is happening to our people. When you look at the small persons throughout the country, sometimes they do not even have families to protect them or help them when they grow old. I know. I have some family members and others that I have to help. I daresay that there are others in this House who are in the same position. What greater good could we do as representatives but to encourage people to join a scheme and not get out there and protest with placards (as was said they should do) against this Bill.

As usual, the First Elected Member from Bodden Town did not offer any alternatives. What are the alternatives for legislation mandating proper pension coverage or proper health insurance coverage? I note where he talked about this coming before the Nation Insurance Scheme. How long have we been talking about this? This was on the road much longer than insurance, although when we took over Government we tried to do something about both. This has been in the works... I believe that if we go back in the records we will find that pension plans were talked about since the 1940s. I am sure that it was way back in the days of the Vestry when I read that there were proposals for implementation of pension schemes. So why put it off?

The country has to accept that at some stage those people who do not have a business, those people who were not born with a silver spoon in their mouths, or who were not lucky to be in the fronting game (if you want to put it closer to home) in the years when we just started our development, have to be protected. Those people need something. How else are they going to get it? Why should we wait any longer? Does he prefer the continued drain on Government's limited resources to provide benefits to the elderly and to provide healthcare?

Does he prefer taxing everyone to provide benefits for some? Does he not regard such taxes as being inflationary?

The Member also argued for proper screening of the approved providers before allowing them to offer pension plans in these islands. If he had read the sections in the Bill dealing with the registration of the administrator, and review the regulation-making power in regard to the qualification of the investment manager, as well as the fines for breaches of the law, I believe that he would be assured that all prudent safeguards are included in this legislation.

I whole-heartedly agree with the First Elected Member for Bodden Town when he said in closing that **"...many countries have taken time to bring their schemes up to a good standard...if we don't begin we will never finish."** I trust that he will do his part to assist with this initiative by voting in favour of this Bill, and working with his constituents in

educating them on the benefits and strengths of this Pension Legislation. That would be a good thing for Team Cayman to do, to smite their conscience (if they have any conscience) and say that the Government was right.

I also thank the Member for North Side for her contribution and support. The points which she raised concerning the two year exclusion for short-term expatriates, and the need to include civil servants, were covered in my reply earlier today. As I said then, these two aspects are proposed to be regularised in the Committee-stage amendments which I have circulated. I also thank her for the part which she played on the Advisory Committee, and for also bringing the Committee's perspective to the debate, as to why it was not possible to have regulations presented simultaneously with the Bill.

The lady Member for George Town also spoke on those two exclusions I have just mentioned. She also astutely suggested that we try to educate the contributors on the importance of contributing in order to achieve the maximum long-term benefits. However, she reminded us about the two different approaches which were taken in regard to the two pension proposals which have come to this House in recent years.

Some people may be saying that my Ministry and this Government have been taking a lot of heat for this legislation from some quarters, particularly the Chamber of Commerce. I want to take a few minutes to review some of the correspondence which took place between the Chamber of Commerce and Government on these two proposals - one in 1989/1 992 and the correspondence to me. One can easily see that this current proposal (no matter what you say about the Chamber beating me down) enjoys overwhelming support compared to Mr. Miller's social security scheme and Team Cayman's preference.

If we look at their 16th May correspondence to me, and I read: **"Dear Mr. Bush: RE: Conditional support for pension Legislation. We, the undersigned, being duly appointed representatives of the organisations listed hereunder, wish to state that as a member of the Council of Associations we are fully supportive of the concept of pensions as one of the tools for retirement planning in the Cayman Islands. We have reviewed the National Pension Plan Advisory Committee Report released in September 1995, and have followed with great interest the discussion which this document has generated in recent months. We are 100% supportive of the general principles as outlines in the report and the discussion draft of the Law which is part of the report. We endorse the progressive and prudent thinking behind this proposal, particularly of private sector administration of pension with Government regulations through legislation and proper supervision. We also fully concur with a contributory system where both the employee and employer split the reasonable contributions on a 50/50 basis. We offer our full support for your efforts to introduce a workable and acceptable pension framework in these islands on the condition that the following important provisions of the proposal are upheld."**

They went on to talk about immediate vesting, portability, compliance, democratic involvement (big words for them), Advisory Committee Regulations Enactment.

When you compare this to the letter that they sent to Mr. Miller on the 30th of May, 1990, and I quote: **"These recommendations which are contained in the**

Chamber's 30 page report representing the input from a broad cross-section of employers and employees. The Retirement Plans Committee comprises of representatives of the following associations: Contractors Association, Bankers Association, Insurance Managers Association, Water sports Operators Association, Cayman Society of Surveyors, Investment Managers Association, Law Society, Hotel Association, Restaurant Association, Architects and Engineers, Taxi/Holiday Association, Heavy Operators, Society for Professional Accountants, Young Caymanian Businessmen Association, Insurance Underwriters Association, Business and Professional Women's Club, Caymanian Bar Association, Real Estate Brokers Association.

"Some of the main points of these comprehensive recommendations on the draft Bill are...", and they went on to talk about regulations there as well. They went on to say: **"The overwhelming power given to Government over the operations of the Board and the fund by the appointment of all key personnel, that is the Chairman of the Board, the Director, the Deputy Director, the Investment Advisor, the Investment Committee, Auditor and Actuary."** Executive Council, under the other legislation would have been appointing all of these, and that is different from today.

Other shortcomings as pointed out by the Chamber include: **"No clearly defined or realistic provision for opting out the other pension plans, no provision for the monitoring of private plans, the absence of consideration for the Civil Servants, conditions under which retirement benefits can be disallowed, the composition and tenure of Board members are items which are also cause for concern.**

"The Chamber fully supports the concept of pension plans for all workers in the Cayman Islands. The Chamber, however, feels that Government's role in this matter should be that of protector, that is regulator, and not the provider. The Chamber feels that under a framework of worker flexibility and freedom of choice, all workers will have greater incentive to pay into plans which best suit their particular needs in a free market economy."

If anyone reviews the letter of the 25th of May, 1990, which they sent to Mr. Miller on the short-comings of his legislation, they will see that there were some 50 of what they called short-comings. They also commissioned a consultant in 1989 to assess the previous Government's proposal. I am not going to take a long time to read this, because this is a document dating back to 1989 looking at the Pension plan of 1987/88 for which Mr. Benson Ebanks was responsible. That was social security. The Member said at the time that the funds could be used for roads and for other things. That is one of the things that the public was up in arms about.

It is completely different from what they are now saying about mine.

The story of the failed social security scheme by the 1988-92 Government is not complete without showing the fate of that legislation. Despite the overwhelming public disapproval, as well as divisions within its own Government, Mr. Ezzard Miller nevertheless rushed ahead to propose a Bill and brought it to this House. It was referred to a Select Committee. There it died because they could not get the support from the public or the Members.

The Chamber of Commerce also published the findings of its survey on pensions in January of this year. This

survey showed overwhelming support for pensions, as well as the proposal which this Government was then developing. I think there was an article in the newspaper concerning it. It did not get much coverage, it did not make the headlines.

I wish to repeat a comment which was made in the Chamber's newsletter in this regard: **"After 10 long years, legislation has finally been proposed which follows the recommendations of the employers and employees in Cayman...the Chamber is in an enjoyable position of providing encouragement to Government to move forward with legislation.**

"Government may be confident that its proposed legislation is on the right track. We wish to thank Government for the manner in which this legislation has been developed. It should serve as a textbook case of the true following of the democratic system."

I thank the Third Elected Member for George Town for her unconditional support, and for highlighting the advantages of this legislation before us now over the proposal in 1990/91. Those documents show that it is completely different from what was proposed before, and it shows much for their non-support of me and their kicking me in the face. They are, in the vast majority, in support of this Bill.

The Second Elected Member for George Town is to be commended on taking the time to try to educate the public on the provisions of the legislation, as outlined on the explanatory brochure. There are two points. Which he (as well as the First Elected Member for Cayman Brac and Little Cayman) made, to which I would like to reply.

First is the request that there be provision for the retirement benefits to be paid in hard currency (for example, the U.S. dollar). This is a good suggestion, and my Ministry will instruct the Legal Drafting Department that the regulations should provide for the tying of benefits to the U.S. dollar at the current exchange rate or that pension benefits can be stated and paid: in U.S. dollars. I will leave that to the legal people to come up with.

He also stated his difficulty in understanding provision of clause 30 of the Bill which mentioned a benefit of 1.5% of his pensionable earnings at the time of retirement as his benefit. This is simply a benchmark which was used to show that the person who contributed to a plan for a total of 40 years can expect to receive a retirement benefit of at least 60% (40 years at 1.5% year) of his final salary. Obviously, if one contributes for a shorter time, one will receive a smaller retirement benefit (the general guideline being a minimum of 1.5% annual salary for each year of contribution). Regulations will also specify in detail the mechanics of this.

The final speaker on this Bill, the First Elected Member for Cayman Brac and Little Cayman, also offered his support and very valuable comments on this Bill. One item which has not yet been addressed is his concern for protecting retirement benefits from the bite of inflation. He astutely pointed out that one means of inflation protection is the fact that most employees get a cost of living increase each year. As the contributions continue to be paid on these increased levels of earnings, the retirement fund will also grow to compensate for inflation.

Section 44 of the Bill also provides for regulations which can prescribe various other methods of inflation protection as a means of protecting retirees from the future loss of purchasing power during their retirement years (when they may not receive any cost of living adjustments). One method for doing this is through indexing. This is a provision for periodically adjusting a benefit amount (usually after retirement) according to a formula based on a recognised index or price or wage, for example, the Consumer Price Index.

This is a very technical matter, but my Ministry and the Government will continue to explore suitable methods.

I wish to thank Honourable Members who spoke on this Bill, for offering useful comments, and well thought-out speeches and support, along with all other honourable Members who will give their silent support when the question is put to the vote.

In conclusion, when I released the report of the National Pensions Plan Advisory Committee and the discussion draft of this Bill in September 1995, an editorial appeared in the *Caymanian Compass* which was published on Monday, 2nd October. I would like to quote a few lines from that editorial:

“...Nowadays most people seem to agree that a pensions law of some kind is needed to ensure that all elderly people have a minimum income to sustain them in their retirement years. Even after years of discussion and controversy, no law will please everyone. However, it is now long past the time to vacillate. As Cayman’s working population is getting relatively older, as more and more people are approaching retirement age, it is necessary to ensure that everyone will have some retirement income when that time comes....we cannot afford to waste time on this issue.”

This has been a long, tiring journey. I may have veered some times, but we have overcome the obstacles and the National Team Government has made one giant leap for the Caymanian people.

Everyone seems to agree that this Bill is the right thing to do. So if not now, when? If not us, who? If everyone wants this type of pension scheme then they will have to agree on this kind, and not a social security system as Team Cayman wanted.

Thank you, Madam Speaker. I thank Members again for their kind support and I apologise for the lengthy debate. I believe it was necessary to take time out to explain as best as possible the many issues that this Bill entails. I hope that we can all now move forward. I plead with Members not to go out into their constituencies and sell this legislation short, or rip up the people unnecessarily to gain some points because it is election time, or try to decry McKeeva Bush. I just ask that we educate our people.

The Speaker: The question before the House is the second reading of a Bill entitled, The National Pensions Bill, 1996.

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

AYES and one No.

The Speaker: The Ayes have it.

Mr. Gilbert A. McLean: Madam Speaker, could we have a division, please?

The Speaker: You certainly may.

Clerk:

DIVISION NO. 4/96

AYES: 16

Hon. Donovan Ebanks
Hon. Richard H. Coles
Hon. George A. McCarthy
Hon. W. McKeeva Bush
Hon. Thomas C. Jefferson
Hon. John B. McLean

NOES:

Hon. Truman M. Bodden
Hon. Anthony S. Eden
Mr. John D. Jefferson, Jr
Mr. D. Dalmain Ebanks
Dr. Stephenson A. Tomlinson
Mrs. Berna L. Thompson Murphy
Mr. D. Kurt Tibbetts
Capt. Mabry S. Kirkconnell
Miss Heather D. Bodden
Mrs. Edna M. Moyle

ABSTENTIONS: 2

Mr. Gilbert A. McLean
Mr. Roy Bodden

The Speaker: The result of the Division is 16 Ayes, two abstentions. The National Pensions Bill, 1996, has accordingly been given a second reading.

AGREED. THE NATIONAL PENSIONS BILL, 1996, GIVEN A SECOND READING.

The Speaker: The House will go into Committee to discuss the Bill.

COMMITTEE ON BILL

(12.38 PM)

The Chairman: Please be seated. The House is in Committee to discuss the National Pensions Bill, 1996.

The Clerk will read the Clauses.

NATIONAL PENSIONS BILL, 1996

Clerk:

Clause 1 Short title.
Clause 2 Application of Law to certain pension plans.
Clause 3 Definitions.
Clause 4 Place of Employment.
Clause 5 Greater pension benefits and previous pensions.
Clause 6 Prohibitions of administration of an unregistered pension plan.
Clause 7 Refusal or revocation of registration.

The Chairman: The question is that clauses 1 through 7 do stand part of the Bill. Certain amendments have been circulated for a few days. These will be moved by the Honourable Minister responsible for Community Development, Sports, Women’s and Youth Affairs and Culture.

Hon. W. McKeeva Bush: In accordance with Standing Orders, I move that in **Clause 2:** the words “but does not apply to pension plans for employees of the government” be deleted, and that in **Clause 3:** in the definition of “certified copy” the word ‘attorney’ be deleted and the word “attorney-at-law” substituted.

Clause 4: That the marginal note be deleted and “Establishment of pension plans” be substituted, and the arrangement of clauses be amended accordingly.

The Chairman: Members all have copies of these proposed amendments.

Clause 2: The words “but does not apply to pension plans for employees of the government” be deleted.

Clause 3: In the definition of “certified copy” the word “attorney” be deleted and the word “attorney-at-law” substituted.

Clause 4: That the marginal note be deleted and "Establishment of pension plans" be substituted, and the arrangement of clauses be amended accordingly.

The question is that the amendments to clauses 2, 3 and 4 be made. The motion is open for debate. If there is no debate I shall put the question. Those in favour please say Aye... Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED. CLAUSES 1, 2, 3 AND 4 AMENDED.

The Chairman: The Question is that clauses 1 through 7 as amended do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED. CLAUSES 1 THROUGH 7, AS AMENDED, PASSED.

Clerk:

- Clause 8 Administrator.
- Clause 9 Registration.
- Clause 10 Contents of pension plan.
- Clause 11 Accrual of pension benefits.
- Clause 12 Registration of amendment.
- Clause 13 Reduction of benefits.
- Clause 14 Acknowledgment of application for registration.
- Clause 15 Refusal or revocation of registration.
- Clause 16 Duties of administrator.
- Clause 17 Diligence, care and skill.
- Clause 18 Information from employer.
- Clause 19 Advisory Committee.
- Clause 20 Information from administrator.

The Chairman: The question is that clauses 8 through 20 do stand part of the Bill.

The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: I beg to move that the following amendments be made:

Clause 8(1): Paragraph (c) be deleted and the following substituted: "(c) an approved provider where that provider provides all of the benefits under the pension plan or a representative or agent of that provider;"

That paragraph (d) be deleted and the following substituted: "(d) if the pension plan is established pursuant to a trust agreement, a trustee or a board of trustees appointed pursuant to the pension plan; and in respect of a board of trustees, at least one-half shall be representative of members of the pension plan and a majority shall be Caymanian or permanent residents of the Islands;"

The Chairman: The question is that the amendments to Clause 8 be approved.

The Motion is open for debate.

If there is no debate I shall put the question. Those in favour please say Aye... Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED. CLAUSE 8 AMENDED.

The Chairman: The question is that clauses 8 through 20, as amended, stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED. CLAUSES 8 AS AMENDED THROUGH 20 PASSED.

Clerk:

- Clause 21 Notice of proposed amendment.
- Clause 22 Annual statement of pension benefits.
- Clause 23 Inspection of administrator's documents.
- Clause 24 Inspection of filed documents.
- Clause 25 Eligibility for membership.
- Clause 26 Normal retirement date.
- Clause 27 Deferred pension for past service.
- Clause 28 Deferred pension.
- Clause 29 Termination by member.
- Clause 30 Minimum benefit.
- Clause 31 Value of deferred pension.
- Clause 32 Ancillary benefits.
- Clause 33 Early retirement option.
- Clause 34 Transfer.
- Clause 35 Purchase of pension.

The Chairman: The question is that clauses 21 through 35 do stand part of the Bill.

The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: I move that in Clause 21(2) the word "after" be deleted where it appears before the word "45", that in **Clause 25(2)(c):** the word "or" be inserted, as well as the following: "(d) worked as domestic servants in a private home."

The Chairman: The question is that the amendments as stated by the Honourable Minister to Clauses 21(2) and 25(2).

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

AYES.

The Chairman: The Ayes have it.

AGREED. CLAUSES 21(2) AND 25(2) AMENDED.

The Chairman: The question is that clauses 21 through 35 with clauses 21 and 25 as amended do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED. CLAUSES 21 THROUGH 35, AS AMENDED, PASSED.

The Chairman: Honourable Minister, we need to go back to Clause 25(2).

Hon. W. McKeever Bush: I move that in Clause 25(2)(c), the words '2 years' be deleted and the words "3 months" substituted.

The Chairman: The question is that a further amendment be made to clause 25(2)(c) by deleting the words "2 years and the words "3 months" be substituted.

The Motion is open for debate.

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

AYES.

The Chairman: The Ayes have it.

AGREED: SECOND AMENDMENT TO CLAUSE 25 PASSED.

The Chairman: The question is that clause 25 as twice amended do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSE 25 AS (TWICE) AMENDED PASSED.

Clerk:

- Clause 36 Joint survivor pension benefits.
- Clause 37 Information for payment of pension:
- Clause 38 Remarriage of spouse.
- Clause 39 Pre-retirement death benefit.
- Clause 40 Variation of payment to disabled person.
- Clause 41 Commuted value.
- Clause 42 Payment on breakdown of marriage
- Clause 43 Discrimination on the basis of sex.
- Clause 44 Inflation protection.
- Clause 45 Funding.
- Clause 46 Contribution rate.

The Chairman: Before I put the question on these clauses, I should state for the records that the last amendment presented today by the Honourable Minister was not within the two day notice, but I have waived that.

The question is that clauses 36 to 36 do stand part of the Bill.

There is an amendment to clause 46. The Honourable Minister responsible Development, Sports, Women's and Culture.

Hon. W. McKeever Bush: I move that clause 46(3) be deleted and the following substituted:

"46(3) A member shall not be required, without his express consent, to contribute to a pension plan more than 5 per cent of his earnings and the employer shall contribute an amount equal to 5 per cent of the member's earnings."

The Chairman: The question is that the amendment be made to clause 46(3) be made. The motion is open for debate.

If there is no debate I shall put the question. Those in favour please say Aye... Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED. CLAUSE 43 AMENDED.

The Chairman: The question is that clauses 36 through 46 as amended do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSES 36 THROUGH 46 AS AMENDED PASSED.

Clerk:

- Clause 47 Notice to Superintendent of arrears of contributions.
- Clause 48 Trust property.
- Clause 49 Accrual.
- Clause 50 Bond.
- Clause 51 Investment of pension fund.
- Clause 52 Refunds.
- Clause 53 Shorter qualification periods.
- Clause 54 Void transactions.
- Clause 55 Exemption from execution, seizure or attachment.
- Clause 56 Commutation or surrender.
- Clause 57 Winding up.
- Clause 58 Winding up order by Superintendent.
- Clause 59 Wind up report.
- Clause 60 Appointment of administrator to wind up.
- Clause 61 Notice of entitlements.

The Chairman: The question is that clauses 47 through 61 do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSES 47 THROUGH 61 PASSED.

Clerk:

- Clause 62 Determination of entitlement.
- Clause 63 Combination of age and years of employment.
- Clause 64 Liability of employer on termination
- Clause 65 Pension Fund continues subject to Law and regulations.
- Clause 66 Continuing pension plan.
- Clause 67 Continuation of benefits under successor employer.
- Clause 68 Adoption of a new pension plan.
- Clause 69 Order by Superintendent.
- Clause 70 Order for correction.
- Clause 71 Appeal from Superintendent's decision.
- Clause 72 Request for appeal etc.
- Clause 73 Quorum and votes.
- Clause 74 Costs.
- Clause 75 Enforcement.
- Clause 76 Appeal to Grand Court.

The Chairman: The question is that clauses 62 through 76 do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSES 62 THROUGH 76 PASSED.

Clerk:

Clause 77 National Pensions Board.
 Clause 78 Superintendent.
 Clause 79 Duty of Superintendent and Board.
 Clause 80 Research.
 Clause 81 Information.
 Clause 82 Liability of members and employees of Board and Superintendent
 Clause 83 Audit.

The Chairman: The question is that clauses 77 through 83 do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSES 77 THROUGH 83 PASSED.**Clerk:**

Clause 84 Annual Report.
 Clause 85 Extension of time.
 Clause 86 Entry onto business premises by the Superintendent.
 Clause 87 Obstruction
 Clause 88 Order by justice of the peace.
 Clause 89 Offences.
 Clause 90 Power to restrain.
 Clause 91 Service of documents.
 Clause 92 Time for actions by administrator.
 Clause 93 Conflict.
 Clause 94 Regulations.
 Clause 95 Commencement.

The Chairman: The question is that clauses 84 through 95 do stand part of the Bill.

There is an amendment to clause 94. The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: I move the following amendment to clause 94. That the second subclause (2) and subclauses (3) and (4) be renumbered (3), (4) and (6) respectively; that the following be inserted after subclause (4) as renumbered in accordance with the paragraph above:

"(5) The Governor in Council may, after consultation with the employees of the Government, make an order providing that this Law shall apply to the Government."

The Chairman: The question is that the amendments be made to clause 94 as stated. The motion is open for debate.

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

AYES.

The Chairman: The Ayes have it.

AGREED. CLAUSE 94 AMENDED.

The Chairman: The question now is that clauses 84 through 95, as amended do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSES 84 THROUGH 95, AS AMENDED, PASSED.

Clerk: A Bill for a Law to provide for the establishment of a National Pension System.

The Chairman: The question is that the Title do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED. TITLE PASSED.

The Chairman: That concludes proceedings in Committee on a Bill entitled, the National Pensions Bill, 1996. The question is that the Committee do report.

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

AYES.

The Chairman: The Ayes have it.

AGREED: THAT THE BILL BE REPORTED TO THE HOUSE.**HOUSE RESUMED AT 12.55 PM****REPORT ON BILL**

The Speaker: Please be seated.

Report on the Bill. The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

NATIONAL PENSIONS BILL 1996

Hon. W. McKeeva Bush: I have to report that a Committee of the whole House has examined a Bill entitled, A Bill for a Law to provide for the establishment of a National Pension System. Amendments were made and passed.

The Speaker: The Bill is accordingly set down for third reading. Third Readings.

THIRD READING**NATIONAL PENSIONS BILL, 1996**

Clerk: A Bill for a Law to provide for the establishment of a National Pension System.

The Speaker: The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: I move that A Bill for a Law to provide for the establishment of a national pension system be given a third reading and passed.

The Speaker: The question is that a Bill entitled, The National Pension Bill, 1996 be given a third reading and passed.

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

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given a third reading and passed.

AGREED. THE NATIONAL PENSIONS BILL, 1996, GIVEN A THIRD READING AND PASSED.

The Speaker: Proceedings will be suspended until 2.30 PM.

PROCEEDINGS SUSPENDED AT 12.58 PM

PROCEEDINGS RESUMED AT 2.42 PM

The Speaker: Please be seated.

Other Business, Private Members' Motions. Private Member's Motion No. 3/96.

The Second Elected Member for Cayman Brac and Little Cayman

OTHER BUSINESS

PRIVATE MEMBERS' MOTIONS

PRIVATE MEMBER'S MOTION NO. 3/96

DEBATE ON THE REPORT OF THE PUBLIC ACCOUNTS COMMITTEE AND THE AUDITOR GENERAL'S REPORT ON THE AUDITED ACCOUNTS OF THE CAYMAN ISLANDS' GOVERNMENT FOR THE YEAR ENDED 31ST DECEMBER, 1994, AND THE GOVERNMENT MINUTE WHICH RELATES TO IT

(Continuation of debate thereon)

Mr. Gilbert A. McLean: This Motion has been so long in the works, that to a large extent, I think it has become a bit stale along the way. There have been so many breaks in-between, it may be good if I briefly refer to what this debate is about. It is on the Report of the Public Accounts Committee and the Auditor General's Report on the Audited Accounts of the Cayman Islands' Government for the year ended 31st December, 1994, and the Government Minute which relates to it.

The benefit of debating these three documents lies in the enlightenment that it might bring to any of us in this Legislative Assembly who take the time to read even parts of these documents. The public might be helped by hearing about what is contained therein. By chance, the Government might do some of the things which it has stated it will do to make things better, as far as some of the errors that have been identified in these reports go, and how it might improve the overall system which would be for the good of the country. It is not necessary for me or anyone else to attempt to put words into the mouths of others about what they do or do not think about a particular aspect. Surely, I do not need to pretend that I am an auditor. It does require listening to what other people might have to say about it, weighing and considering their point of view. We should certainly be weighing the point of view of the Auditor General and the

Public Accounts Committee, and what the Government says it will do to correct the situations which need correcting in terms of the accounting of Government.

Debating these three reports helps us to focus the attention of the country (and hopefully this Parliament) on what was the financial state of the country in 1994 after its accounts had been audited. We must take cognisance of the fact that this is 1996 and should be wondering what kind of system we have, when almost into the second half of the year we do not know what the audited position is for the year 1995. That should immediately make us wonder if there is something wrong with the system under which we operate.

In fact, the Auditor General has made note of the fact that the present system of accounting has caused him to not take note of discrepancies and errors and major mistakes which come about because of our present accounting system - the cash accounting system.

I think that we need to take stock of the fact that recurrent expenditure in 1994 increased by 10.7%, moving from \$113,972,000 to \$126,162,000. This excluded the \$16.6 million recapitalisation fund that went into Cayman Airways. Recurrent expenditure continues to increase. Only this morning we heard that there are now 2,203 Civil Servants. There is a continuing recurrent expenditure increasing in the area of staffing alone. With staffing comes various other ancillary areas of expenditure.

In 1994, Statutory expenditure increased, and it continues to increase in the Cayman Islands. Changes can only come about to stem this through prudent financial management, through the increase of productivity within the Service, and through stopping some, if not all of the gaps within the financial system. Many such recommendations have been made by the Auditor General and the Government has undertaken to make some changes in some areas. To what extent this has been done is left to be discovered. It will not be until the end of 1996 that we will begin to have any real idea about what happened in 1995.

When my colleague, the First Elected Member for Bodden Town, brought a Motion here over a year ago to change the accounting system, there was much hue and cry. Nonsensical statements were made about adopting something that was in New Zealand, and why that was not any good for us. Yet, the Auditor General is pointing out that our present system here, the cash system, is not really in our best interest, as far as our knowing on a regular and ongoing basis what might be slipping through the cracks; whether money which was voted for any particular year has been expended as it was supposed to; whether the will of the House approving those funds has been carried out.

Capital Expenditure increased in 1994 from \$9 million to \$18 million, and 26% of it was financed from local loans and the balance from local revenue. Loans must be repaid or they become increased liability on the Government and the country. This Government has relied on loans like no other Government before it. In this years' budget there were \$16.6 million in loans. We recently approved approximately \$13 million for loans on various projects, including a \$6 million loan for Pedro Castle.

This becomes a very serious area of concern for the country as to what might result from the trend of more and more loans which the country has entered into.

There is no such thing as Government making profit in its revenue collection. It might make a surplus - that is, there might be some money left over after meeting its

various obligations. You certainly do not talk about Government making a 'profit', and spending 'profits' to carry out capital works, unlike what the Minister for Education may have us believe in this regard. If money is used from the recurrent revenue to pay for capital works, it means that there is some other area where that money could be spent. The expenditure from recurrent revenue on capital works amounts to a policy decision by any Government, and not the fact that we have so much 'profit' running out of the coffers that we can spend it on capital works.

If money is spent from the recurrent revenue on capital works, then there are areas left wanting. There have been many examples of having to take loans to build schools or to spend in various areas because of the way that the finances have been handled.

I think it is in order to note that the Auditor General has made a point that should come home to all of us in this Government and the Government to come. He said on page 6, **"The existing legal and accounting framework is cumbersome. Legislative control, authorisation and reporting requirements do not differentiate between recurrent and capital expenditures, which are fundamentally different."** A good signal that we should do something to change things to a more appropriate fashion.

Another thing should be borne in mind, and there have certainly been enough examples of this type of thing happening during the past three-and-one-half years to alert us to a weakness in the system. The Auditor General says, **"Legislators vote funds for specific projects but are not provided with audited expenditure data for these projects."** So while we sit in Finance Committee, or debate Money Bills, and we approve money which we expect will go for a certain project, it may not happen. Legislators do not receive information on specific projects with audited data on them.

Another significant point is, **"There is no mechanism within Treasury Department to ensure that expenditure is incurred only against authorised projects."** (page 6). The Government has alluded to the fact that certain changes are being made in the Treasury. Here, let me say that I do not know who works in the Treasury, and I really do not want to know because who works there is really not the important point. It is a system that I am talking about - as with the computer system, the people can only work with what is in place. If the system which provides the best means is not in place, then the system ought to be corrected or changed.

Also of great significance is that the Auditor General said, **"Although the Budget Document provides forecasts of a project expenditure for the succeeding two years, capital expenditure continues to be authorised and controlled exclusively on an annual basis. There is no effective control and reporting of total budget and actual costs over the life of a project."** (page 6).

If we want to consider this for a moment, we can see just how factual that statement is. One of the latest is a Post Office Building which is supposed to be built, for which some of the money has been provided through a Loan Bill. Half of it is yet to be provided, which is not provided for in this year's estimates. We would assume that the Loan Bill would relate to this year, and the likelihood that it will be completed this year is certainly not great. Right away we see that we do not have a system in place that would immediately take into account that

money for this year, nor if it would be shown in next year's Budget in part or in its totality.

Therefore, we can understand why there is a need for change in this particular area. A change of the accounting system would clearly show the amount of money committed. It would not be left to where each year a certain amount is voted, thereby (for all practical purposes) disguising the cost. The total cost would not go away, but certainly the figures can be manipulated to make it appear that everything is fine this year when, really, there is cost of a serious magnitude yet outstanding.

Following this the Auditor General also notes, "The system of annual capital budgets also presents practical timing problems to project administrators and has resulted in legitimate payments being made without legislative authority." I think the point he makes there relates to what I have just said. If McAlpine is supposed to be paid for the work they are doing on the hospital, and it comes due in March of next year, and that money is not provided within the 1997 budget, you cannot tell the company that it is not in the budget. Their contract would naturally state that when the work is completed payment must be made. So payments are being made by Government to keep the machinery and commitments of Government working, where, legally, and from a legislative point of view, approvals are not in place. I think that is what the Auditor General is pointing out. Changes should be made to improve the financial management of the Cayman Islands.

In this regard another condition which we have seen here in the House comes out when he says, **"There is a tendency to underspend rather than overspend capital budgets, mainly due to the timing of projects. Underspending increases when legislators are asked to vote funds for new projects from existing projects."** I think he is simply saying that if money was voted to build school-rooms and the Finance Committee votes that money to build a cricket pitch, it does not make the need for the school rooms go away, it creates a situation of underspending when, really, there is in truth an overspending because it is a second project. The first one simply gets left by the wayside temporarily while Government goes to something else. It is bad accounting.

Of particular significance for the Legislative Assembly is when the findings in the audited accounts state that **"As a result of inadequacies in the legal and accounting framework internal rules have been developed over the years to enable funds to be switched between projects in the same or different economic sectors. On occasion funds have been switched to projects which have not been brought before the legislature for debate and approval. This seems to breach the important principle of prior Parliamentary approval which is the cornerstone of the financial supply system."**

I think a warning is being sounded for those who will hear, that unless we tighten the grips on our financial management we can run aground. We can find ourselves in trouble like many other islands in this region. Many of the small countries do not adhere to the sound principles of accounting, where persons are held accountable for doing exactly what the right thing is, not presuming to bring about internal rules and conventions to make it possible to do as one would have done avoiding what is the particular legal or financial requirement.

Of course, we have instances of that as well, when \$400,000 was switched from doing the Harquail Bypass in 1994 and the money was used to fix private driveways in West Bay which was not authorised. This is the type of things which occur when the rules are not followed, when politicians or accounting officers believe that it is all right to

do something which is not authorised simply because there is some force requesting or requiring that something be done which, for example, would suit them politically.

On the question of public debt, we hear the cry about all of the debt the last Government left. We hear the story coming from the Government Bench, particularly from the Minister for Education who spoke on this Motion, about the debts which the National Team took on. It just so happens that right now, and this is according to the Financial Secretary during this session, that by year's end the country will be \$57 million in debt. The last Government left a debt of \$25 million. That is quite a few dollars more, unless we use that special accounting that has been brought in by the Government of the day where 27 is less than 16, as a good example.

There has been an immense increase in public debt in this country through loans. They are necessary to balance the budget where there is no money to spend on capital expenditure, to build more school-rooms when these were due to be built all during the past three-and-one-half years and the money was otherwise spent. When we talk about debt, we are entering a new era of debt in this country during the financial management of this present Government.

We have the hospital situation which we really do not know the cost of, but that money has to be there to complete it. If the millions of dollars needed for it are to be taken from revenue, then other things will have to be paid for through borrowed funds. The borrowing continues and the debt mounts.

The Honourable Minister responsible for Education and Planning spoke at length about the past Government, which is a favourite topic of his and he also spoke about the matter of dredging and how all of the royalties have now been collected. I say that it is about time. Several of those dredging projects were given by this Government and not collected. It is certainly this Government who on the one hand says that there is going to be a study done to decide about dredging, but continues to allow it to go on. There is dredging yet to be done in the North Sound, supposedly because of contractual agreements, when the Auditor General said that all contracts (according to his findings) have fallen away and are no longer in force.

Other approvals have been given. There has been dredging in the South Sound. I understand other applications are in place in the Frank Sound area. So the whole situation of dredging continues with very little abatement, as far as I can see.

The Honourable Minister responsible for Education and Planning also claimed that there was only \$10 million borrowed this year. How does the Minister account for the \$16.6 million that is in this year's estimates; the \$10 million for works to be undertaken and the purchasing of buildings and the like; the \$2 million in another Loans Bill; the \$6 million for Pedro Castle... how does he make that out to be \$10 million? I would surely like to know.

He also spoke about the National Reserve and in so doing he attempted to show that my colleague, the First Elected Member for Bodden Town, and I could not understand what a good thing it was to take the \$10 million left in the reserves by the last Government, and spending \$7 million out of that to balance his 1993 Budget. He claimed that that type of high finance would be above our understanding. It is all a matter of what is the policy of the Government of the day. If the

Government so chose, it could have borrowed the \$7 million it took out of the reserves (just like it is borrowing so much money now), kept the \$10 million on the fixed deposit, earning whatever interest it was earning, and made it possible to pay off that \$7 million at whatever interest (using the interest and other money to pay the mortgage) and still have the \$10 million in the national reserves. That was certainly possible.

Although he would have us and the country believe that it could not be done, it most surely could have. With all the 'profits' which the Minister claims have been made by the Government of the day, one would have thought that at least some of that money could have been put into the reserves which so badly need it. From the time the \$7 million were taken out it continues to suffer at a very low ebb indeed.

On the matter of the money owed to Government from dredging that has now allegedly been collected, it is good to know that that money is where it should be - in the Government's Treasury. If the royalty from dredging is now to be \$1 per cubic yard, it is about time that the Government start the study which it claims it was going to do (and which the public hears nothing about) before any further dredging is done in the country, and before any other ecological damage is done.

The Public Accounts Committee stated quite clearly in its Report that **"There is a need for comprehensive legislation to regulate dredging activities. This legislation should be developed following the independent review suggested above and should incorporate dredging guidelines."** The 'recommendation above' was where they said there should be a thorough independent review of all aspects of marl dredging. The Government claimed in its Minute that it was going to commission such an operation. When will this be done? It needs to be started now, before any further dredging is allowed.

The situation with regard to children in the school system is not becoming any less a problem to deal with. The population is growing, and with that comes children whose parents and guardians find themselves unable to pay those pre-school fees. By Law the children are required to attend school. All of the children should have the same opportunity to benefit from pre-school study.

The Public Accounts Committee stated, **"Detailed rules and procedures for operating the pre-school scheme were not fully developed by the Education Department, which was not properly resourced to administer this programme."** I would hope that come September, this matter will have been addressed, particularly when we hear so much about the schools and what this Government and that Minister has done for the schools. I trust that this matter which involves so much money (which the Auditor General and the Public Accounts Committee has found was spent without proper care and procedure being followed), will be corrected at this time.

I do not think that it really requires people who are qualified as a Fellow of the Institute of Credit Management to actually look after these accounts either. The people who keep the vote control book in the Education Department can no doubt do that. It does not require any such person as has been suggested in the Government Minute in reply to this particular weakness in the financial system.

I could go to great lengths if I talk about the persons whom the Minister for Education talked about - Ministers of a former Government, and the accounts of 1992. It is now 1996 and we are wondering what happened in 1995 that we do not know about yet, and will not begin to know until about the end of 1996. I trust that some of the recommendations made by the Auditor General made in his Report will be in place. I also trust that the Government will correct some of

the situations which have been identified. I look forward to a point in time, in the very near future, when there will be a Government in place that is not guided by personality motivations, but by what is right and proper. Such a Government has the opportunity to be chosen in November, and I trust that the people of this country will do just that for the sake of finances and for the country on a whole.

Thank you, Madam Speaker.

The Speaker: Private Member's Motion No. 3/96 'BE IT RESOLVED THAT the House now debates the Report of the Public Accounts Committee and the Auditor General's Report on the Audited Accounts of the Cayman Islands' Government for the year ended 31st December, 1994, together with the Government Minute, subsequent to it having been laid on the Table of this Honourable House on the 18th day of March, 1996". The House has debated the report, accordingly, there is no motion to be moved.

The other point which might be considered at this time is if the Chairman of the Public Accounts Committee would wish to make a Motion that the Report, together with the Auditor General's Report and the Government Minute, be adopted. That Motion has not yet been moved.

The Third Elected Member for West Bay.

MOTION TO ADOPT THE REPORT OF THE PUBLIC ACCOUNTS COMMITTEE ON THE AUDITOR GENERAL'S REPORT ON THE AUDITED ACCOUNTS OF THE CAYMAN ISLANDS' GOVERNMENT FOR THE YEAR ENDED 31ST DECEMBER, 1994

Mr. John D. Jefferson, Jr: In line with your admonition, I move the adoption of the Public Accounts Committee Report, the Government Minute and the Auditor General's Report for the year ended 31st December 1994.

The Speaker: That Motion is in order because the Public Accounts Committee does contain recommendations.

I shall put the question that the Report of the Public Accounts Committee, the Auditor General's Report on the Audited Accounts of the Cayman Islands Government together with the Government Minute, be accepted.

Hon. W. McKeever Bush: Madam Speaker, on a point of order.

The Speaker: The Honourable Minister responsible for Community Development, Sports, Women's and Youth Affairs and Culture.

POINT OF ORDER

Hon. W. McKeever Bush: For the sake of clarity..., when the Chairman laid the Report, did he not make a Motion for adoption and debate at a later stage?

The Speaker: He said that he would move for the report to be debated at a later stage. This is the debate now, we just need the Motion that the Committee's recommendations be accepted or adopted.

Hon. W. McKeever Bush: There was no adoption?

The Speaker: No, not at that stage.

The Honourable Minister responsible for Education and Planning.

Hon. Truman M. Bodden: It appears to me that under Standing Order 74, sub-order (7), which says, '**The Government Minute shall be laid on the Table of the House within three months of laying the report of the Committee and of the report of the Auditor General to which it relates.**' I do not see in this any reason to have to adopt the report...

The Speaker: Well, it is actually the Public Accounts Committee Report.

Hon. Truman M. Bodden: Yes, Ma'am. This is Standing Order 74 that deals with it.

The Speaker: Yes, I see that.

Hon. Truman M. Bodden: I am just not certain why we are actually moving this Motion when it seems the duty is to lay it on the Table.

The Speaker: Well, it is actually the report of the Public Accounts Committee which contains recommendations... But it does say further on that once the report is laid, it is deemed to have been agreed to.

Hon. Truman M. Bodden: Sorry?

The Speaker: The other portion says that once the Public Accounts Committee Report has been laid on the Table, it is "...deemed to have been agreed to." That is in subsection (9).

Hon. Truman M. Bodden: That is correct.

The Speaker: I thought that in view of the amount of recommendations made it would not do any harm to agree that the recommendations be accepted. He has moved the Motion. Would someone second that so that we may have it on the records?

The Member for North Side.

Mrs. Edna M. Moyle: I will second the Motion.

The Speaker: I shall put the question that the Report and recommendations of the Public Accounts Committee (which has just been debated) be accepted. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it.

AGREED. REPORT OF THE PUBLIC ACCOUNTS COMMITTEE ON THE AUDITOR GENERAL'S REPORT ON THE AUDITED ACCOUNTS OF THE CAYMAN ISLANDS' GOVERNMENT FOR THE YEAR ENDED 31ST DECEMBER, 1994, ADOPTED.

The Speaker Continuing to Private Member's Motion No./4, Appointment of Select Committee to Review the Elections Law (1995 Revision).

The Second Elected Member for Cayman Brac and Little Cayman.

PRIVATE MEMBER'S MOTION NO. 4/96

**APPOINTMENT OF SELECT COMMITTEE TO
REVIEW THE ELECTIONS LAW (1995 REVISION)**

Mr. Gilbert A. McLean: Madam Speaker, I beg to Move Private Member's Motion No. 4/96, entitled, Appointment of Select Committee to Review the Elections Law (1995 Revision), which reads:

"BE IT RESOLVED THAT this Honourable House appoints a Select Committee to consider amendments to the Elections Law (1995 Revision) as follows and that the Review be concluded before the dissolution of the House and that the recommendations contained in the Committee's Report be put into effect for 1996 General Election:

(a) to provide that a permanent register of voters be created using the 1996 Voters' list as the initial document and thereafter persons' names to be automatically added upon reaching 18 years of age and persons' names to be deleted due to death or some other legal cause;

(b) to provide for Voter Registration Cards;

(c) to provide that any person otherwise eligible to vote and who will be 18 years of age on or before the date of a General Election shall be registered as a voter;

(d) to provide that the Voters' list in each district in the possession of candidates and/or their agents inside or outside a Polling Station remains in the possession of such persons before, during and after the elections;

(e) to provide that the Law be clarified to specifically prohibit any form of advertising for any group or individual on the day of election through any media;

(f) to provide that Form 15 - Direction for the Guidance of Voters, be amended to allow a voter who after voting can place his ballot paper in the ballot box himself; and

(g) to provide that the form Declaration By Amanuensis be amended in its title to read "Declaration by Person who assists a Voter";

(h) to provide for the Immigration Law, 1992, (Law 13 of 1992), to address the residency requirements of the Cayman Islands (Constitution) Order (section 25(b)(v) and (vi))."

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.
I beg to second that Motion.

The Speaker: Private Member's Motion No. 4/96, having been duly moved and seconded, is now open for debate.

The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: This Motion has been brought for the purpose of addressing certain issues which are relevant to the Elections Law and which do come into play now that the General Election is at hand.

I wish to say from the beginning that although the wording states that the recommendations contained in the Committee's report be put into effect for the 1996 General Election, it does not envisage that certain sections of it would come into effect more than for the Committee (in some instances which I shall cite) to say, 'Yes, we agree that these should be'. I think that at least three would come into effect in the year 2000.

Let me cite those three: **"(a) to provide that a permanent register of voters be created using the 1996 Voters' list as the initial document and thereafter persons' names to be automatically added upon reaching 18 years of age and persons' names to be deleted due to death or some other legal cause;"**. The reason why this would be impractical to attempt for the 1996 election is that the list for 1996 (be it complete or incomplete) is legally existing, and this Motion is not suggesting that any changes should be made to that list to change or alter it in any way in any district. What it is suggesting is that the Committee would agree that it is desirable to have a permanent voters' list and that we would begin with the 1996 voters' list, although, stated as it is, the concept behind it is to simply have that accepted as the initial document that would become a permanent voters' list for the Cayman Islands. I understand that all the names that are there cannot be altered unless there were major changes to the Elections Law and so on. I would not even dream of trying to go back over what I know has been an extremely difficult time for the process of getting people on the voters' list

If that is clear enough, I would like to turn to (b): **"to provide for Voter Registration Cards;"**. This is something that we have talked about forever. If the Committee thinks that such would be desirable and practical, it could make its recommendation to the House. From my own point of view, I think it makes a lot of sense to have a voters' registration card. As the population grows and becomes ever more disenchanted, as some become less inclined to vote, some areas become less friendly towards people going to register people. For those who are registered, they would hold a registration card that would have a number or some kind of identifying mark so that the Supervisor of Elections would know that there is somebody named "Joe Blow" from "Nowhere Street No. so-and so", and they would not have to be registered every four years. The only additional people to be registered would be new voters. The idea was his basically. If the Committee should agree that it is something desirable and practical, it could so indicate.

In (c), where it says: **"(c) to provide that any person otherwise eligible to vote and who will be 18 years of age on or before the date of a General Election shall be registered as a voter;"**, I see that as occurring in the year 2000 or so. The reason why that was placed there is that there are persons who miss being registered by a day or a week simply because of the way it exists in the Law. If a person is not 18 by that particular date, then the person is barred. The person will be 22 before he will be able to vote again.

I have had many people speak to me about that. There have been instances where young persons who wished to register but who missed out by very short periods of time. If the Law could be so amended and worded so that on the person's showing the proper documentation, a birth certificate,

passport, et cetera, that he would be 18 by Election Day, he could be registered.

Again, as far as I am concerned, the gate has been closed for now. That third request in the resolve would not come into play now.

However, (d) says: **“(d) to provide that the Voters’ List in each district in the possession of candidates and/or their agents inside or outside a Polling Station remains in the possession of such persons before, during and after the elections;”** This could come into play. If it does not, it shall be the same with me as with other candidates, I am sure. However, that particular item causes some logistics problem for any candidate running in an election.

From the time elections began in this country, candidates looked forward to having a list of voters whereby they could help some voters get to the polling station. Candidates could get an idea if certain people are coming to vote or not and can encourage persons to come out and vote. It also provides the means by which a candidate can agree with the person presiding in a polling station that the listed number of persons voted, as they would be checked off. Not that the candidate’s records are official, but there is the satisfaction that a candidate can know that he has the same count as the officials inside. It is a helpful campaign tool on election day.

Not until the most recent election in the country (the by-election in Bodden Town) were the voters’ lists taken away in the polling station from the agents of the candidates or the candidates themselves. I do not see the logic in this. I think there is something wrong with that. There could not be a more public list, since that is the list of all the voters in the country. All the persons registered to vote in a district are on that list. Persons who go out to vote can find out if they are on that list, as some people do inquire if they are on the list. I see no good reason why that list should not remain with the candidate or their agents in any district in the Cayman Islands on election day.

I think that what might be coming into play and giving election officials the sleepless nights, or questions as to whether they are carrying out their duty, can be found on page 45, section 73 of that Law. But I think from the aspect of efficiency on election day, keeping a running check on the people voting is something not unreasonable to ask for.

In section (e), where it asks for the Law to be clarified, specifically to prohibit any form of advertising by any group or individual on election day is, I think, necessary. I recall some years ago when the Americans realised that by allowing information in the news to go out, where persons on the other side of the country were hours behind and hearing what the exit polls were in the east, it influenced the voting in the rest of the country. Advertisements during that day should be prohibited. It is prohibited to some extent, while allowed to some extent within the Law.

All this section is asking for is that it be made absolutely clear that on election day there will be no advertising. Campaign or advertise all you want up until that day, but on election day there should be none.

A peculiar thing occurs in (f). I have had many people speak to me about this. It refers to Form 15 “Direction for the Guidance of Voters”. It asks that this be amended to allow a voter, after voting, to place his ballot paper in the ballot box himself. What it says now on page 58 under “Direction for the Guidance of Voters is”, **“(6) After voting a voter must fold the ballot paper along the lines shown on the ballot paper and hand the folded**

ballot paper to the presiding officer.” I note that it says “after voting”. Item (7) says, **“The presiding officer will, in the full view of those present, including the voter, remove the counter foil from the ballot paper and place the ballot paper in the ballot box.”** When a voter has received his ballot paper, it is his sacred ballot paper. Why, when he has voted, must he come out of the booth and go back to the presiding officer and give him his ballot paper, and the presiding officer put that ballot into the ballot box? Why can the voter not put his ballot into the ballot box? Many people have asked me that question. There is no other reason, other than it is what is written down here on page 59, and that is what they are supposed to do.

The counter foil is that detachable piece of the ballot that is torn off. I know that the presiding officer has a big “On Her Majesty’s Service” envelop there to put that counter foil into. What is the difference in tearing off the foil, allowing the person to go into the booth to vote, and allowing that person to put his ballot in and then put the foil into the envelope at the same time?

People have stated to me that even when the President of the United States votes they do not take his ballot paper from him and put it in the box - he puts his own ballot paper in. It is something which I believe could be done so the voter would feel that oneness with his ballot paper when he puts it into the box himself.

It would remove the view that because people have to hand their ballot paper back to the presiding officer, others know how they voted - not the least of considerations.

On page 78 there is this incredible jaw-breaking word here “Declaration by *Amanuensis*”. That frightening form goes to people who vote by postal ballot. Some of those people are older people, many of whom are shut-ins. I wonder if some of them can even pronounce Amanuensis. Right below that title is the kicker in brackets. It says: **“To be completed by a person who has assisted the applicant to complete the form, or who has signed the form on behalf of the applicant.”** All this is asking is that instead of the frightening title, it be called, “Declaration by a Person who Assists a Voter”. I contend that would make that guidance sheet inserted into postal ballots so much clearer for people who receive it.

Item (h) is requesting that something be done to write into the Immigration Law a means by which it could give the information to the supervisor of elections with regards to the Constitutional requirement contained in section 25(b), which really is a requirement. An amendment to the Constitution which says that a person is entitled to be an elector if he possesses Caymanian status, has attained the age of 18 years and is a British subject, and so on. Part (5) and (6) of it says, **“He, or one of his parents or grandparents are born in the islands and has been ordinarily resident in the islands for a period or periods amounting to two years out of three immediately preceding the date of registration; or he has been ordinarily resident in the islands for a period or periods amounting to seven years out of the nine years immediately preceding the date of registration. In the three years immediately preceding the date of registration the number of days he was absent from the island does not exceed 300.”** I am aware that this has become a technical difficulty since Caymanians do not have to sign the pink slip. Immigration really has no means of telling whether a person has been off the island the number of days as required under that particular Law. The Supervisor of Elections cannot really be sure that he is meeting that requirement of the Law.

I would not suggest that the Government is inclined to do anything about that particular part of the request, or in

the Immigration Law. However, since I know that it exists, I simply inserted it there.

A Select Committee, as this Motion envisages, is no more than a Committee which would meet for less than one hour if it agreed that some of these things were desirable and acceptable, and make a recommendation to the House requesting that the few lines of amendments be drawn up by the Legal Draftsmen so that these could come into effect.

I have had occasion to speak with Members of the Government, in fact all of the Members of the House, on this particular Motion. There was an indication that some of these points were acceptable to the Government. That was about three or four days ago. I would not assume to say that it applies to today, Monday, 15th of July. So, I shall leave the Motion to the reply of whomever is going to reply to it. If it is accepted, that is fine, If not, I have been through elections where there have been no changes, and no doubt I will go through this one. However, that is the extent of this Motion.

The Speaker: The Honourable Temporary First Official Member.

Hon. Donovan Ebanks: Thank you, Madam Speaker.

I happened to have been in on those discussions the Mover referred to. While I am a rookie to this league, I certainly do not intend to start off by changing my position on something as abruptly as he suggested it may have changed.

Certainly, this is the season when the awareness of the mechanism and procedures with which we conduct elections is at its highest. This Motion has highlighted a number of areas which are deserving of attention. It is a bit like the rainy season reminding you that you have a leaky roof; it is not necessarily the best time to fix it as completely as you perhaps need to.

The Mover, having recognised the impracticalities of what can be done within the next two or three months, has presented a situation which the Government is quite willing to accept. It is hoped that when the Committee is appointed, a number of these points as set out in the Motion can be addressed in time for the upcoming election.

I simply conclude by saying that the Government is pleased to accept the Motion in the spirit in which the Mover has presented it.

The Speaker: Is there any further debate on this?

I should bring to the attention of the House that the Motion called for the appointment of a Select Committee, and it did not indicate whether the Committee should be comprised of five, seven or nine Members, or the whole House.

If the Mover is going to reply to that, I assume he realises that would close the debate, unless he was going to move an Amendment.

If no other Member wishes to debate then I will ask the Second Elected Member for Cayman Brac and Little Cayman to close off the debate.

Mr. Gilbert A. McLean: Thank you for bringing our attention to the fact that it asks for a Select Committee but did not state how many, or who would be on the Select Committee. When we discussed it, it was thought that it would be comprised of Elected Members and that we would ask the Attorney General to be a part of it...

The Speaker: I am sorry, but at this point that is not the prerogative of Members to decide who is to be Chairman, unless the Chair appoints no one.

Mr. Gilbert A. McLean: Madam Speaker...

The Speaker: Are you Moving an amendment, then, that it would be comprised of the Elected Members?

AMENDMENT

Mr. Gilbert A McLean: Yes, Madam Speaker. That it would comprise of Elected Members and the Attorney General.

The Speaker: Is there a seconder for that? The First Elected Member for Boddan Town.

Mr. Roy Boddan: I respectfully beg to second that amendment.

The Speaker: Accordingly, the Motion would read: "BE IT RESOLVED THAT this Honourable House appoints a Select Committee comprised of all Elected Members of the House..." Is that correct then?

Mr. Gilbert A. McLean: Yes, Madam Speaker.

The Speaker: If there is no further debate and if there is nothing more the Mover has to say, I shall put the question. Those in favour please say Aye...Those against No.

AYES.

APPOINTMENT OF CHAIRMAN (Standing Order 69(2))

The Speaker: The Ayes have it. The Motion is accordingly passed. I appoint the Honourable Second Official Member responsible for Legal Administration as Chairman of the Committee.

AGREED. PRIVATE MEMBER'S MOTION NO. 4/96, AS AMENDED, PASSED.

The Speaker: It is now twenty minutes past 4 o'clock. Do you wish to continue to Private Member's Motion No. 5/96? Limitation of Political Contributions.

The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: I see the numbering of the Motions, but I was of the impression that the Motion by the Third Elected Member for West Bay would have come next on the Order Paper.

The Speaker: Yes, I apologise for that. That is quite correct. Private Member's Motion No. 6/96, Amendments to the Liquor Licensing Law, 1985

The Third Elected Member for West Bay.

PRIVATE MEMBER'S MOTION NO.6/96

AMENDMENTS TO THE LIQUOR LICENSING LAW, 1985

Mr. John D. Jefferson, Jr: Madam Speaker, an amendment was recommended to that particular Motion. I

am in the process of getting the notice done. In light of that, I wonder if we could adjourn early this afternoon and pick up again on Wednesday morning.

The Speaker: Would you like to move the Motion for adjournment? If it is seconded, I will put the question.

ADJOURNMENT

Mr. John D. Jefferson, Jr: I move the adjournment of this House until 10 o'clock Wednesday morning.

The Speaker: Is there a seconder for that?
The Member for North Side.

Mrs. Edna M. Moyle: I beg to second that Motion.

The Speaker: The question is that this Honourable House do now adjourn until 10 o'clock Wednesday morning.

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

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until Wednesday morning at 10 o'clock.

**AT 4.23 PM THE HOUSE STOOD ADJOURNED UNTIL
10.00 AM WEDNESDAY, 17TH JULY, 1996**

**EDITED
FRIDAY
17TH JULY, 1996
10.09 AM**

The Speaker: I will ask the Fourth Elected Member for George Town to say prayers.

PRAYERS

Mr. D. Kurt Tibbetts: Let us Pray.

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

Bless our Sovereign Lady Queen Elizabeth II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

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

Presentation of Papers and Reports. The Health Insurance Bill, 1996, and the Health Insurance Regulation, 1996.

The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

PRESENTATION OF PAPERS AND REPORTS

Health Insurance Bill, 1996

- and -

Health Insurance Regulation, 1996

Hon. Anthony S. Eden: Madam Speaker, on the 11th December, 1995, I tabled (as a white paper) for discussion and public feedback, a draft of a Bill relating to the provision of Health Insurance. At that time, I said that in

March 1996, God's willing, I would present to the Legislative Assembly for approval the Revised Bill for the law, along with the Health Insurance Regulations. I now recognise that I was perhaps overly optimistic then, as much time has had to be spent making presentations to various interest groups, responding to both verbal and written suggestions and queries; as well as revising the proposed health insurance legislation to take account of the feedback which I have received.

I am very grateful for all the suggestions that I have received, and I appreciate the opportunity to express publicly my thanks to all those individuals who have enabled me to present to this Honourable House a Revised Bill for a Law Relating to the Provision of Health Insurance, as well as draft Regulations for the provision of Health Insurance. Without their assistance I do not believe that I could have achieved any proposal for health insurance provision which reflects the needs, hopes and aspirations of the people resident in these Cayman Islands. It is my intention to bring up for debate at the next Meeting of the Legislative Assembly the Revised Bill and the Revised Regulations.

At this time I am putting out the proposed legislation for public information and feedback prior to its being debated in the Legislative Assembly. With your permission, Madam Speaker, I will now take time to set out for your information, and that of Honourable Members, some of the concerns and recommendations which I received in relation to the Bill itself. They are as follows:

- ◆ There was objection on moral grounds to the inclusion of provision for health insurance for the common law spouse.
- ◆ It was felt that the proposed law discriminated against provision of health care by private medical practitioners.
- ◆ It was considered necessary for Government employees to be included in the provision for health insurance.
- ◆ Many individuals were concerned about those persons who are unable to obtain health insurance coverage because of a birth defect or other existing health condition.
- ◆ It was also felt that no Bill for a Law Relating to the Provision of Health Insurance should be debated in the absence of accompanying regulations.

- ◆ There was also concern about whether the proposed health insurance legislation would be introduced at the same time as the Pensions Law.

The Revised Bill, has responded to these concerns. However, because I wish to ensure that all of those concerned have an opportunity to be informed and respond to the contents of the revised Bill, I am tabling them at this time prior to the debate during the next Meeting of this Honourable House.

The Ministry for Health, Drug Abuse Prevention and Rehabilitation will avail itself of every opportunity to inform the residents of these islands on the implications of the proposed health insurance and how it relates to them. There are many benefits for the employee, the employee's unemployed spouse, and dependants. Also for the employer and self-employed persons. These are set out in the draft regulations. Most, if not all, persons will be covered by a standard health insurance contract at the very least, and each one will be free to obtain coverage in excess of the standard Health Insurance contract if he or she so chooses.

With the passing of the Law all legal residents of the Cayman Islands will be required to make provision for unexpected illness, and it will be a shared responsibility between employer and employee. Some may say that those employers who provide goods and services will pass on these costs to the consumer. But I must say that whether or not that is the case, we shall all continue to subsidise Government's provision of health care in these islands. Even if we do not use those services, unless health insurance is made compulsory, we all know that what Government collects from the people in revenue is what it uses to provide health care services.

As I said before, the cost to Government of providing health care in these islands continues to increase, and it is time for the consumer of the health care services to make preparation to pay for such services rather than to wait for sickness to be upon them and then wonder how they will pay the bills. We all know that in many of those cases the Government has had to bear the cost.

I will now move on to make a statement on the draft Regulations. In December 1995, when I tabled the Draft Bill for a Law Relating to the Provision of Health Insurance, I set out what I anticipated would be the maximum premium and health care benefits. In addition, I said that the regulations were in the process of being drafted and that they would be determined, to some extent, by the response to the Draft Bill. I am truly grateful for the response which I have received. I will now share some of this with you and Members of this Honourable House.

Perhaps the most common response was a strong desire to have a single premium rate for all ages, that is, that there should not be a separate and higher premium for those persons age 65 and over.

Provision is made under Out-Patient Benefits for visits to a registered medical practitioner, including a routine physical check-up, subject to a limit of \$100 each

calendar year. Also included in the Out-Patient Benefits is provision for emergency medical services subject to a maximum of \$4,000 each calendar year, and, in addition, anti-natal services at a health care facility in the islands subject to a maximum of \$500 each year.

Requests were made for just about every health care benefit including provision for periodic physical check-ups. Persons insured under the standard health insurance contract should have the choice of obtaining health care provided either by Government or the private sector. There was concern that the proposed health legislation would significantly increase the premiums presently paid under some medical plans. There was also concern about the powers of inspectors authorised under the proposed law and that the regulations should clearly set out the extent of those powers.

The Draft Regulations which I have tabled today, have been produced with all of these concerns and suggestions in mind. Without a doubt, some concerns and recommendations conflicted with others that we have received and we have had to strike a balance, wherever possible, so as to be as fair as possible to all involved.

The prescribed health care benefits are set out in Schedule 1 of the Draft Regulations and include in-patient and out-patient benefits. In-patient benefits also provide for treatment at an overseas health care facility, where the insured person is required to receive such treatment overseas, subject to confirmation by the Chief Medical Officer or two Registered Medical Practitioners.

Clarification is still needed in regulation 3 on how provision will be made for the high risk persons who, by reason of a medical condition or history of illness, have been refused coverage under a standard health insurance contract. The Health Insurance Advisory Committee is still working on this.

Finally, I am unable to say at this time what the expected health insurance premium will be. I have requested the local providers of health insurance to quote a premium based on the Revised Bill and Draft Regulations, and I expect this information by the end of next week. At the first opportunity after that, I will provide that information.

It is sufficient to say for now, that the schedule of benefits has been put together with the knowledge that the standard health insurance contract must be affordable to all legal residents of these Cayman Islands. The Revised Bill and Draft Regulations are not written in stone, and I am prepared to accept suggestions and make amendments wherever necessary. I look forward to the feedback that I will receive.

Thank you.

ANNOUNCEMENTS BY SPEAKER

The Speaker: I have an apology from the First Elected Member for Bodden Town for his absence. He is not well.

I also have pleasure in welcoming as a visitor to this Parliament, Mrs. Diana Ellis, who for 20-odd years

has been Secretary to the Barbados Parliament. She is on a visit here and will be joining Members later for refreshments.

We proceed to Questions. We will have to omit questions numbers 116 and 117, as the Member is absent. The question that will be dealt with this morning is number 118, standing in the name of the Fourth Elected Member for George Town.

QUESTIONS TO HONOURABLE MEMBERS/MINISTERS

QUESTION NO. 118

No. 118: Mr. D. Kurt Tibbetts asked the Honourable Third Official Member responsible for Finance and Development whether the formulation of the Medium-term Financial Strategy and Public Sector Investment Programme which was scheduled for completion at the end of March 1996 was completed and, if so, will the document be tabled in the Legislative Assembly.

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, the answer: The draft Medium-term Financial Strategy and Public Sector Investment Programme document is currently being amended to reflect appropriations made at the May 1996 Finance Committee Meeting, and to take account of the Loan (Capital Projects) 1993 (Amendment) Law and the Loan (Capital Projects) Law, 1996.

Once these changes are finalised, the document will be presented to Executive Council for its consideration. If these amendments are completed in time, the document could possibly be tabled during the September Meeting of this House.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Member say how long this document has been worked on?

The Speaker: The Honourable Third Official Member for Finance and Development.

Hon. George A. McCarthy: Madam Speaker, between 18 to 24 months.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Member say how many drafts have been prepared prior to the one that is being prepared now?

The Speaker: The Honourable Third Official Member for Finance and Development.

Hon. George A. McCarthy: This is the third substantial revision, but it is an ongoing document.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Member say if the two previous drafts were presented to Executive Council for consideration?

The Speaker: The Honourable Third Official Member for Finance and Development.

Hon. George A. McCarthy: The first document was presented, but that was reviewed for sometime and it ran into the second review and, as a consequence, the second is going into the third.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Based on the substantive answer given, that the last draft is being revised because of appropriations made in the May Finance Committee Meeting, is it anticipated that any draft will be tabled because of continuous activity in that area?

The Speaker: The Honourable Third Official Member for Finance and Development.

Hon. George A. McCarthy: Madam Speaker, it is likely that the draft document could be tabled. Although there is the process of continual updating of the document, we will have to bear in mind that it is unlikely that we will have requirements to the amounts (as were dealt with at the May meeting of Finance Committee) being put together to that level through the remainder of the year. This was quite a substantial sum of money that was approved to deal with various projects.

It is likely, when that is added to what was presented in the Budget document itself, I think that will absorb the capacity of the Public Works Department to carry out those projects as agreed upon through 1996.

The Speaker: The last supplementary. The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Member say what the general terms of reference are for the preparation of this document?

The Speaker: The Honourable Third Official Member for Finance and Development.

Hon. George A. McCarthy: Madam Speaker, the Medium-term Financial Strategy and Public Sector Invest-

ment Programme document is essentially a reference document outlining Government's development objectives and the possible capital projects and financial policies that could be employed to meet these objectives over a three year period. At present the Government outlines as development objectives, capital projects and financial policies for the year ahead in the Budget document. So to some degree, this document will be an extension of the Budget document. It is hoped that by developing a Public Sector Spending Programme over a three year period and supporting that with a rolling three year financing plan, rather than planning on an annual basis Government's finances, and for the economy to maintain a healthy position.

Medium-term planning of this nature with a proposed timetable of investments and outline of projected revenues could assist in reducing unplanned capital expenditure. Any additional unplanned capital expenditure may reduce the effectiveness of the proposed financial policy as it is likely to increase total expenditure. Therefore, in order to achieve a balanced budget, it may be necessary to trade one of the projects in the Public Sector Investment Programme for an additional unplanned project. The successful project should be one contributing most to the Government's development objectives.

We have had many instances where new projects have been brought to the Legislative Assembly. Wherever it is possible for projects that have received prior approval to be set aside in order for the funds that were allocated to that project to be freed up and put against the new project, this is what has always been done. As a consequence, in the preamble to the Finance Committee document, it has always stated the amount of funds to be blocked in order for those funds to be freed up to assist with the financing of unplanned projects as set out in the Finance Committee document.

The Speaker: That concludes Question Time for this morning.

Government Business, Bills. Suspension of Standing Orders 46 and 47. The Honourable Temporary First Official Member.

SUSPENSION OF STANDING ORDERS

(Standing Orders 46 & 47)

Hon. Donovan Ebanks: Madam Speaker, I beg to move the suspension of Standing Orders 46 and 47 to enable the Legislative Assembly (Immunities, Powers and Privileges) Bill, 1996; the Elections (Amendment) (Election Expenses) Bill, 1996; and the Register of Interests Bill, 1996, to be taken at this sitting.

The Speaker: The question is that Standing Orders 46 and 47 be suspended in order that the three Bills as listed by the Honourable Temporary First Official Member be taken through all of their stages at this sitting.

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

AYES.

The Speaker: The Ayes have it. Standing Orders are accordingly suspended.

AGREED. STANDING ORDERS 46 AND 47 SUSPENDED.

GOVERNMENT BUSINESS

BILLS

FIRST READINGS

LEGISLATIVE ASSEMBLY (IMMUNITIES, POWERS AND PRIVILEGES) BILL, 1996

Clerk: The Legislative Assembly (Immunities, Powers and Privileges) Bill, 1996.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

ELECTIONS (AMENDMENT) (ELECTION EXPENSES) BILL, 1996

Clerk: The Elections (Amendment) (Election Expenses) Bill, 1996.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

REGISTER OF INTERESTS BILL, 1996

Clerk: The Register of Interests Bill, 1996.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.
Second Readings.

SECOND READINGS

LEGISLATIVE ASSEMBLY (IMMUNITIES, POWERS AND PRIVILEGES) BILL, 1996

Clerk: The Legislative Assembly (Immunities, Powers and Privileges) Bill, 1996.

The Speaker: The Honourable Temporary First Official Member.

Hon. Donovan Ebanks: Madam Speaker, I beg to move the Second Reading of the Legislative Assembly (Immunities, Powers and Privileges) Bill, 1996. This Bill simply seeks to expand the definition of precincts of the

Legislative Assembly from merely the building to also include the external areas, such as the car park and the front steps.

The purpose of the Bill is to enable better regulation and control of persons who wish to visit this honourable institution. That control is vested in your honourable office, Madam Speaker, and I expect that all Honourable Members share my confidence in how it will be exercised in these proposed additional areas. I trust, therefore, that Honourable Members will find it possible to support the Bill.

The Speaker: The question is that the Legislative Assembly (Immunities, Powers and Privileges) Bill, 1996, be given a Second Reading. The motion is open for debate.

The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. I rise to support this Bill. It is unfortunate that individuals do not respect the office of Members of this Honourable House, and it is for that reason this Bill is now being brought.

I would like to share an incident which took place during the first sitting of this Session, when someone from the television station asked if I would make a comment on the amendment to the National Pensions Bill. In making my comment the lady Member for North Side had to stand by because an individual, namely Mr. Chris Wight, came by the cameraman making noise and comments to distract me from making my statement. That is very unfair to Members of this House, but it, unfortunately, does happen. We could say that this is being democratic because members of the public have the right to speak out. But there is a right time and place.

I feel that Members of this Honourable House should be protected and should have some protection within the precincts of this building, including the front steps and other areas, in order to be able to move back and forth freely and not be put down by individuals like Mr. Wight. Therefore, I support this Bill.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

(10.49AM)

Mr. Gilbert A. McLean: Madam Speaker, I think it is very timely that an amendment to the Legislative Assembly (Immunities, Powers and Privileges) Law should come about. What is being proposed today is but a recognition of the changing times. Prior to now the premises of the Legislative Assembly were confined purely to the building. It did not extend beyond that area.

It is reasonable to believe and to expect that the premises of the Legislative Assembly should include the car park, the front steps, and the land surrounding the Assembly. When the Law was first passed it was suffi-

cient to think of the building as solely the premises of the Legislative Assembly.

I remember in 1989 when I had the opportunity of attending a Commonwealth Parliamentary Association visit at the House of Commons in the United Kingdom and I witnessed not just security or control of the building, but, indeed, the car park and the areas surrounding that building. It was at that time that there was considerable violence by the IRA (not that it has stopped, it still continues). I remember seeing an MP drive up in a car outside the building and security was there with a gadget on that had a mirror with wheels on it which they ran underneath the car to inspect the car. I daresay, if anyone had attached explosives or any such thing to the car, it would have been detected.

We live in a time when persons, for various reasons and motivations, direct hostility or violence towards law and order. This Legislative Assembly represents the seat of law and order. Indeed, it is here that laws are passed. For the concept of the Legislative Assembly being that of the building itself and the front steps, the car park and the surrounding land not being a part of it is an oversight. These areas should be under the control of the Speaker of the Legislative Assembly. Persons who find themselves in these areas should understand that they are doing so with permission and that when they are in these areas certain rules apply.

In *Erskine May* one can find certain rules set down concerning Parliament. In fact, large crowds are not allowed on the land of the House of Commons. It is prescribed in the United Kingdom that even when petitions are being delivered to Ministers of Government that only a certain number of persons may enter to make those presentations. For the security, not just of the members who are Members of the Legislative Assembly at any given time, but out of respect for the symbol that this Legislature stands for, there should be certain rules and certain controls in place which everyone should be aware of. Members of the House as well.

Madam Speaker, I know you are aware as some of us are, that even persons invited into the Legislative Assembly by Members have to follow certain procedures, and certain persons are not invited into some areas of the Legislative Assembly as is practised in other Parliaments in the Commonwealth. It is taken very seriously as it should be. The business of Parliament is a very special business and, as such, the behaviour and the way things are handled should be in a special and prescribed manner. So, today, by the amendment to the Immunities, Powers and Privileges Law, we are getting much closer to the reality of the times in bringing about legislation that will more clearly and precisely define the boundaries of Parliament. I look forward to some point in time when there will be a complete review by this House or the Speaker's Office, or by some committee that is set up to take a careful look at practices and procedures within the precincts of the Legislative Assembly, such as: Crowd control. How closely are demonstrations allowed, who is allowed, at what time; precisely who is allowed

within what areas here. That will be something for the benefit and the knowledge of all Members (present and future) who will, indeed, uphold these directives, rules and procedures in dealing with the legislative Assembly.

Madam Speaker, I certainly give this Bill my full support. I think it is very timely, it has taken some time to reach this far, but it is good that it has finally done so. Thank you.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Thank you, Madam Speaker.

I am very happy to see this Bill before the House today. The Bill, as the mover mentioned, widens the Legislative Assembly (Immunities, Powers and Privileges) Law to include the car park, the front steps and all other areas within the curtilage of the building.

As the last speaker mentioned, it has become far more difficult in the past few months for one to lead an ordinary life while attending, leaving or entering the Legislative Assembly. Gone are the days when Members were approached in a mannerly way, where we had a majority of people who were polite and did things in a normal fashion. If they had to ask you a question, they did it in the normal way. Unfortunately, a very small (and I mean a very small) minority of people - perhaps in my case limited to a few - when they see me coming into this Legislative Assembly they consistently insult me and curse me. I have had people curse me when my children are present. Mainly the same two people. This is just not right.

It is one thing to do it outside of this Chamber and outside of the precincts of this Legislative Assembly, but when people come into this House or in the public gallery or within these areas, they should have the proper manners. Even to try to give an interview to the television station, on many occasions I have had one of these boys (I would so have to call him, even though he is 35 years old) so near to me and the microphone on the steps of the Legislative Assembly that I could not conduct the interview. That has to be wrong. Despite the fact that I am a Member of the Legislative Assembly, I have rights the same as anyone else not to be continuously harassed and insulted. So do all other Members of this House.

This Law is going to bring back the respect... and thank you very much, Madam Speaker for the increased security in here. Perhaps I have lived life being too trusting, and perhaps I have felt too secure in many ways, in that on occasions not only did I leave my coat here but I would not lock my car. Well gone are those days, I am afraid, because there is just a minority of people creating these problems.

I think this House needs to legislate perhaps further, because the Third Elected Member for George Town, the Second Elected Member for George Town and I had a meeting in February on the steps of the Court building and the same thing that happened on the steps

of the Legislative Assembly happened when we were tried to speak. We had that same gentleman up there within 18 inches of us. At one stage he picked up our microphone and used it, putting either a radio or a tape recorder on the podium in front of me. Police were there and I understand that they have now read up on the Public Order Law, which goes hand-in-hand with this. Having said that, Caymanians are, by nature, polite and honest, and the generations that are coming behind us have those good traits. We have very good people out there. There are only a few bad eggs, mainly about four or five from my point of view; people who are attempting to disrupt one's normal way of life in this Assembly. This has to stop.

The thing that is more important is that behind those people are usually politicians (when I say that I am speaking generally, I am not referring to anyone in the House), who are pushing them on. They sit back and are laughing. I remember seeing a politician standing there laughing when our meeting was almost stopped in February. A politician who I supported in the last election, laughing at five people disrupting our meeting. At one stage we took a decision whether to close the meeting or not.

I had the same thing happen on the steps here where I actually stopped an interview because this boy was right up in my face - a few inches away from me. The cameraman finally turned the tape off, and I said, "I am sorry, I cannot continue with somebody right there". This Bill will stop that, Madam Speaker.

I am very happy that it has been put forward. It is very timely and I would hope that the politicians who are out there pushing these few people on to do these things - which are definitely wrong in Caymanian society - will see the light. We are an easy-going, gentle people. If they think the public and Members of this House do not know who is agitating people to harass us, they are making a mistake. The people are wise. The television station might have only shown that person who was disrupting me on the steps here, but they all know who supports him. They all know who writes the letters in support, no matter what is done, whether it is the cow-itch in my coat which politicians have tried to justify.... That is wrong.

This is something that I hope will not only be put into Law, but will be enforced. Perhaps I am too easy going, I was assaulted within the Chamber and I said nothing about it. Until it came to a stage where the Member got up and tried to appear as if he was a little angel and discipline me in relation to what I had said about the cow-itch. Maybe I should try to change my way of life a bit and not accept the divergence that the few people who seem to be... and they get into the headlines of the newspaper, it is bad news so the newspaper and television pick it up and move it on. I would hope that the proper sanction by the press would say to these people, "Look, you should not try to disrupt people who are trying to conduct the business of the country.

Leave them alone, at least within the precincts, and the car park and the steps of this House."

I am very happy to see this. I guess I am perhaps too old now to really change my trusting and ordinary approach to life. I do not really think that I can change. But it does get to me at times. Believe you me, it really does. I am sure it gets to other Members because we have been put here by the vast majority of the people and the fact that two or three people do not like it... in a democracy this is the way it works. They can say whatever they wish, they can do whatever they wish, but they must respect other people's rights.

The unfortunate thing is that those who continue to harass me were raised by good parents in good homes, who must have gone bad after that. So I say that for what it is worth, it is no reflection on the parents who raised them. Some message has to be sent and, hopefully, this is the message that is now really going out to try to restrain them to do what is reasonable and normal. It is a totally different thing from when you are trying to give an interview or trying to make a speech and someone gets right up in your face and talks loudly. I actually saw the Second Elected Member for George Town turn around and say to one of the those boys, "Get out of my face".

The other thing that it can do is cause good people to get into trouble. That is something that I have been lucky has not happened to me. But there are other people whose temper is perhaps not as easy going as mine. However, there have been times when, I must tell you, it has been very hard to take the insults that one has received entering this Legislative Assembly. That is really why I go through the back door many times. That is unfortunate to have to say, but sometimes it is not worth the hassle of walking around the front and taking it from usually two or three people. That is the unfortunate part.

I believe all Members here support this Bill. The mistake made by the Member who hit me... he has apologised and so be it. But let us not forget that the insulting of Members or the assaulting of Members, not necessarily hitting Members, within the precincts of this House is a very serious criminal act. It carries far higher penalties in assaulting a Member outside or in the yards of the Legislative Assembly. Hopefully this amendment will send the message we need.

Thank you very much, Madam Speaker.

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: Madam Speaker, I, too would like to give my support to this legislation. I thank you for getting it done so quickly.

In all of my 12 years as a Member of this House, I have never been accosted in any way within the precincts of this Legislature. We have had tough battles between so-called Backbench and Government Bench (Opposition and Government if you will), but they have

been battles of words as is expected in a medium of this sort. I will never forget that during the opening day of this meeting of Parliament I was accosted in the parking lot by one of the Wight twins. I do not know which one because I cannot tell the difference, but that is not the important thing here.

On another point, during an interview on national television I, too, had to put up with the nuisance of one of Mrs. Mary Lawrence's daughters who was up in my face (as we would put it) and I had to drive her off. This was on the steps of this Legislative Assembly. Now this is an election year, and it is expected that certain things will happen. But these people must learn that there is a distance that candidates, their supporters or their family members should not go.

This is the Parliament of the country and even if they do not support us or even respect us, they should respect the office we hold constitutionally in these islands. Understand that while this is the medium in which we conduct the public's business, no one section should interfere with those elected, within these precincts or anywhere else for that matter.

While they sometimes chastise us and say that we are not running the country right, there are other ways and means of expressing their dislike for this administration. They do not have to come to the Legislative Assembly, even within the corridors of this Legislature to harass Ministers or supportive Backbenchers. It is time that they stopped.

While I do not like to see the security in place, these are the times that we live in. I would prefer it being like the days when I used to walk in here, have a tough battle (and we had them if you remember) and walk out. Not to see the kind of security we have had to put in place recently. I say again (and I ring this bell of warning) that if they go this far, that kind of person would go further.

I said a few days ago that if this is how we have to operate in an election year or how we have to operate politics in this country, I want no part of it. Everyone knows that I do not run from any fight. I can stand my ground with the worse of people in this country. But there are limits for our families. Candidates with families who are involved in the process of electioneering, should be even more careful that their children do not go to the extent of embarrassing them as parents and doing things to hurt the national interest. Always remember that we too have parents who are alive. They do not want to see this happening; this is not the Cayman that we grew up in.

While I do not like to see the tough measures that we have had to put in place, we do need them. Not to say that the country is being put down in any way with political violence. We cannot give that impression. The warning bell that I ring is that if Members cannot come to the House with their minds clear, and we have to fear in any way the elements within our community that will attack us inside the parking lot, then we cannot do the people's business properly. We cannot come with a

good feeling, we cannot come with a clear mind and there is a lot of business to be done. So all I ask of those people is that they carry on their electioneering the way they want to, but let us not damage the public interest. Thank you very much, Madam Speaker.

The Speaker: The Fourth Elected Member for West Bay.

Mr. D. Dalmain Ebanks: Thank you, Madam Speaker.

I rise to give this Bill my support. It is a shame to know that the friendship and love, and the way that we used to live in these little islands has changed so much that we now have to use security in this Honourable House. If a few people think so little of our Honoured Members... regardless whether or not they support them, they are doing a job and a job well done. If some of them are even thinking of running to hold a position in this honoured hall, I think they had better get down on their knees and pray to God Almighty to give them a change of heart and mind first.

To hear of all of this interference that has taken place, something that I did not know about, I am happy that it did not happen to me. I hope it does not happen to any more of the Honourable Members. So with these few words, Madam Speaker, I give this Bill my full support.

Thank you.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Thank you, Madam Speaker.

I, too, rise to offer my support to this timely amendment to the Legislative Assembly (Immunities, Powers and Privileges) Law. We all know what triggered these actions. It was a terrorist act perpetrated on the Honourable Minister responsible for Education and Planning. I do know that it was alleged in political meetings that I did not even wash my hands being one of the persons identifying this substance after touching it with my fingernail. I do know cow-itch when I see it. But in all of my attempts, I have not been able to find anyone to confirm that they have seen cow-itch growing in sea grape trees.

Past politicians are trying to pass this off as a joke, even trying to raise doubts that it may not have been cow-itch in the Honourable Minister's jacket. I can say that I have been reliably informed that this substance has been analysed and confirmed to be cow-itch. So I hope that when people raise doubts in saying that it could have been one of his National Team colleagues who may have done this in trying to get sympathy for this Minister, we know that is a bunch of hogwash. People who would dare to enter these hallowed Chambers and do this would stop at nothing less than probably causing more serious damage to Members of this House.

I would be remiss not to thank you for your prompt action in enabling this legislation to be brought at such short notice to protect us. We all know that this is an

election year, but I hope and pray to God that we do not see more of this rising as we go into an election. It is not needed. All this will do is damage our islands. Where are we going to go when this happens to us? Let us put this nonsense aside and go forward as one for the betterment of these islands. Thank you.

The Speaker: The First Elected Member for Cayman Brac and Little Cayman.

Capt. Mabry S. Kirkconnell: Thank you, Madam Speaker.

I rise to give my full support to a Bill for a Law to Amend the Legislative Assembly (Immunities, Powers and Privileges) Law (1996 Revision). I want to thank you, Madam Speaker, for your prompt action in moving this amendment. It is much needed. It is with regret that I say that. I have seen much deterioration in conduct around the Legislative Assembly precincts during the 16 years that I have been privileged to be a Member of this Honourable House. We regret making statements of this nature.

We do realise that this is an election year, but the purpose of an election is to let the people speak and get the best Government possible, not to demonstrate who can be the biggest terrorist or who can show the most civil disobedience. It is really a process that we are privileged to have, and it is our responsibility, each and every one of us, not only those of us who have been honoured by being elected Members of this House, but those who aspire to be members and those who are younger who may in their later years have an opportunity to prepare themselves to serve their country.

I, too, some years ago had some experiences that I would like to be able to forget and would rather not have had to face - right on the steps of this Legislative Assembly. Nevertheless, I was allowed to speak. Democracy has continued to prevail and I certainly feel that the amendments we are making today will preserve the integrity of our nation, our Legislative Assembly and make the Cayman Islands a better place in which we can live and to preserve democracy for future generations.

Thank you, Madam Speaker.

The Speaker: If no one else wishes to speak, I would ask the Temporary First Official Member to wind up the debate.

Hon. Donovan Ebanks: Thank you, Madam Speaker.

I simply wish to acknowledge the contributions of the Members who spoke and to thank them all for the support which they have expressed.

The Speaker: The question is that a Bill entitled the Legislative Assembly (Immunities, Powers and Privileges) Bill, 1996, be given a Second Reading.

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

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given a Second Reading.

AGREED. THE LEGISLATIVE (IMMUNITIES, POWERS AND PRIVILEGES) BILL, 1996 GIVEN A SECOND READING.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.28 AM

PROCEEDINGS RESUMED AT 12.12 AM

The Speaker: Please be seated.
Second Reading of Bills continuing.

SECOND READINGS

ELECTIONS (AMENDMENT) (ELECTION EXPENSES) BILL, 1996

Clerk: The Elections (Amendment) (Election Expenses) Bill, 1996.

The Speaker: The Honourable Temporary First Official Member.

Hon. Donovan Ebanks: Madam Speaker, I beg to move the Second Reading of the Elections (Amendment) (Election Expenses) Bill, 1996.

This Bill seeks to amend the Elections Law (1995 Revision) to provide a maximum level of expenditure that may be incurred by each candidate in general or by-elections. It also seeks to impose a maximum limit on the amount of contributions that may be made by individuals to candidates, and on the total contributions that candidates may accept.

There is an old saying that money cannot buy love. In essence, this Bill simply seeks to say that money cannot buy you an elected office. I expect that all Honourable Members will subscribe to such an adage, and I trust that they will find the Bill deserving of their support.

Thank you.

The Speaker: The question is that a Bill entitled the Elections (Amendment) (Election Expenses) Bill, 1996, be given a Second Reading. The Motion is open for debate.

The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: Madam Speaker, I rise to offer my support to this very important piece of legislation. I am one of those representatives who is concerned about the trend and direction that politics is taking in this country. I first ran for political office back in 1988 with

two other gentleman from West Bay. If we spent \$3,000 on the election for T-shirts, caps, advertisements, etcetera, it was plenty. But when you compare that particular election with the 1992 Election, after the advent of television, the franchisees in that area laughed all the way to the bank because of the amount of money that was spent on the political campaigns in that year. Some of them are still being paid for.

What I am concerned about is that we are always in a position where good people, regardless of the financial resources they have personally or otherwise to support them, can get out there and offer their services as a representative to the people of this country. It has gotten so bad in places such as the United States that if you are not in a position to raise \$20 million or \$25 million you do not even talk about getting in the race to run for an elected office. I would never want to see those conditions prevailing in this country.

I believe that our people have always voted for those whom they felt were honest, hardworking and who had their interests at heart. But with today's environment you can make anybody look good and convince a lot of people by spending enough money in doing so. I do congratulate the Government for bringing this very important piece of legislation. I believe it is a move in the right direction because I feel that with the amount of individual interest that we see springing up in this country, we need to put in place certain safeguards, certain limits regarding financial contributions in support of anyone's political campaign. So, I do support this very important piece of legislation. Thank you.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Madam Speaker, I rise to speak on the Bill for a Law to Amend the Elections Law (1995 Revision). I do not know how many of us in here realise how significant this piece of legislation is. In my opinion it is to be one of the most significant pieces of legislation that the country will ever pass.

This Bill is addressing a matter which is something being discussed in most civilised and democratic countries of the world, that is, the containment of campaign spending and the prescribing the amounts of donations or contributions that are made to campaign funding. It is of particular significance to Cayman, because as recently as the last election there was evidence that huge sums of money were spent, propelling public opinion in a particular direction. This happened through the supply of food and drink, through numerous advertisements in the newspapers, through numerous advertisements on television; and the people who fell through the cracks were those who were not able to compete similarly. The success came to those who were. There were one or two exceptions in Cayman Brac. Fortunately the people there still made up their minds more on the individual contact than on the large-scale assault through advertising media.

I can give my support to this Bill because it generally addresses areas that need to be addressed in terms of campaigning, campaign advertisements and campaign funds. I shall speak to some of these points, knowing that, as usual, what I say will be interpreted for me by others who speak after me who are waiting patiently for me to speak, while the majority sit here in silence.

As the Chair is aware, I have on the Order Paper a motion which covers, to some extent, points which are raised in this Elections (Amendment) (Election Expenses) Bill. I think by virtue of the fact that this Bill is before the House now, it will deal with matters that are requested in the motion and which would over-ride some of the requests in it. So at the point when my motion would come forward, I will seek the Chair's indulgence to withdraw it. However, in reference to the point that I would like to make, I would like to refer to what that particular Private Member's Motion is. It is Private Member's Motion 5/96 entitled Limitation on Political Contributions and Political Campaign Spending and it reads: "BE IT RESOLVED..."

The Speaker: Honourable Member, I think that you are well aware that you cannot anticipate something that is on the Order Paper. If you have any points to make, please deal with the Bill as it is before you at this time.

Thank you.

Mr. Gilbert A. McLean: Madam Speaker, all I wish to do with the motion is to read what the resolve section said, and to illustrate why I think it would fall away in the face of the Bill which is before the House.

However, to continue on the matter of elections, campaign spending and corruption which become evident and rampant because there are no controls on spending, I would like to refer to a text entitled, *Money and Votes*, written by Martin Linton, and published by the Institute for Public Policy Research in London. In the Introduction it says, and I quote: "**Political equality is fundamental to a democratic system. People are unequal in the market place, but they are equal in the polling booth and this political equality is an essential counterweight to their economic inequality. But this works only as long as the wealthy cannot use their economic power to buy or to corrupt political power. Thus it is a basic requirement of a democracy that political power should be insulated from economic power. Indeed, the separation of wealth and power is the essence of a democratic system. If wealth is able to buy power, then even a system that is perfectly democratic in form, will not be democratic in effect. It will be a plutocracy rather than a democracy.**" Madam Speaker, I think that speaks to the fundamental concept of elections being fair and the people who stand for elections being able to stand in the political arena on an equal or level footing.

The Bill before the House now speaks of limiting expenditure to candidates to \$10,000 per person. If it is so passed it would (according to the Law) limit that ex-

penditure to \$10,000. I must say that I disagree with that figure of \$10,000. Realistically, when one takes into account the cost of advertisement in the newspaper - a full page ad is close to \$1,000, television time is extremely expensive. If one takes into account other tools of campaigning, the T-shirts; banners; give-a-ways (rulers, pencils, and the other things), my colleague and I who were moving the Private Member's Motion, did a realistic costing on these various areas which came out to be \$14,000 plus. We rounded it off to \$15,000, which is contained in the Private Member's Motion which I referred to earlier. So I think \$15,000 would be a more realistic figure in looking at the costs that one would incur in setting up an advertisement campaign in an election year for any given candidate. Of course, there are also labour costs involved, people preparing advertisements and the like. Ten thousand dollars in the Cayman setting is very scant indeed.

I would note at this point that this applies to all candidates when they become candidates in the election - when they have paid the \$1,000 fee to become a candidate and have signed on the dotted line and have the persons who support their candidacy signing on their behalf. That is an equalising factor. However, one must weigh on the other hand the situation of the people who are in Government who will become candidates in this forthcoming election and their means and access to public advertisement about their good stewardship, as they no doubt would say they have done.

I take into account the fact that on the 13th of May, approximately \$60,000 was voted in the Budget for television advertising for the Government. That advertisement was to show all of the good things the Government has done in various departments and otherwise. That is free money to the Government which is the public's money at use, but other candidates would not have similar access to that expenditure.

I have heard that somebody who is connected with the television station has said that it might not be such a wise thing to support this Bill, that is, candidates other than the Government, because so much free television time will become available to the Government at the expense of the public purse. Other people in the election will not have similar television time available to them. In truth, it would be the \$10,000 plus whatever else is spent from public funds. It is a point that I take seriously, and one which I certainly will take more advice on in the immediate future.

The principle, however, of limiting the funds which can be spent does make much sense, and it helps the democratic system in that it levels the playing field. The book I referred to earlier has something on this particular aspect. I quote where it says: "**But the essential point is the principle of political equality which lies at the heart of our liberal democratic tradition. Voters should have not just the right to vote, but the right to vote in elections where the parties compete on equal terms.** [Speaking, of course, of Britain and parties more than individuals as it is given to here to some extent]

John Rawls argues in a *Theory of Justice* that it is a precondition of justice that all citizens have an equal right to determine the outcome of the process that establishes the laws with which they are to comply. This can only be guaranteed by 'fair rivalry' for political office.

Professor Keith Ewing, professor of public law at King's College, uses the analogy of a race where people can compete on different vehicles. One participant turns up on a bicycle and the other in a sports car. It is not impossible for the bicycle to win. The sports car might break down or the driver might lose the way. But the two runners can hardly be said to start with an equal chance." I think that is what equalising the process is about - the millionaire might stand for political office in Cayman (as we have a few who are doing) and the average citizen, who can only raise \$10,000 to use in advertisement. The very term, 'the level playfield' is used throughout this publication (which my colleague found dealing with this subject is as recent as 1994).

I would like to refer to what caused England to get into the act of equalising what is spent. It was interesting to me to find out that it is that way in the United Kingdom. A historical note here speaks of an incident which I think would be informative to the country to some extent. It is here where the book speaks of another analogy of the level playing field. **"The phrase was brought into political currency by the supply-side economists of the Tory right. They used it to argue against state intervention and state subsidies to industry. But with its implicit appeal to the rules of a game, which are designed to give each team an equal chance, it is a metaphor that is better applied to election campaigns. It captures the essential idea that both sides should start with the same amount of money, with the same access to the public through advertising, broadcasting and the press and the same claim on public resources.**

"This can be done either by levelling up so that each party has enough money (through state aid) or by levelling down so that no party can exploit an unfair advantage (through limits on campaign spending) or by a combination of levelling up and levelling down (such as free, but limited, television advertising). The essential idea is that politics should be played on a level playing field." The thing that brought this about which caused the United Kingdom to pass the Corrupt and Illegal Practices Prevention Act relates to what is stated here. **"From the earliest days of the universal franchise, it was seen as an essential principle of a democracy that economic power should not be able to buy political power. It was not enough for the Reform Act of 1867 to extend the franchise. The law had to go further and ensure that the voters were protected from the economic power of the wealthy to bribe or intimidate them as they cast their ballots. The first step along that road was the Secret**

Ballot Act of 1872. But while secrecy protected the voters from intimidation, it did not stop wealthy candidates from trying to bribe them. In the six months before the 1880 election, one MP is recorded as having made contributions to 15 chapels, 17 churches, 23 cricket clubs and 150 institutions in his constituency in order to secure his re-election.

"The official returns for the 1880 election showed that candidates spent £1,736,781. At today's prices this would be £79,309,222. The real cost of the election was, according to contemporary estimates, closer to £2,500,000. At current prices that is £114,161,230."

The table in the book shows that £34,315,400 was actually spent the 1992 election in the United Kingdom. It gives a historical perspective and shows how when corrupt practices have been stopped, the opportunity of people buying other people and their votes can be hindered. But as I read the various contributions made by this Member of Parliament to the chapels, churches and cricket clubs and institutions, it caused me to be somewhat reflective of contributions that we hear about in our own country at this time.

The information that is available regarding the reasons for capping political advertisements and political contributions is numerous. I have a large amount of information which has been taken from the Internet where in the United States there is a major move afoot to bring about even more controls on spending in their elections. The speaker before me, the Third Elected Member for West Bay, made mention in his contribution.

In one of the articles which I got from the Internet by Randolph T. Holhut, entitled *Getting Big Money Out of Politics*, he notes that money, with **"...the enormous amount of it that is being spent to get people elected to office - has become a big issue in the 1996 presidential campaign. A potential candidate now has to come up with \$20 million to be considered credible and raise another \$20-25 million to make a successful run for the White House."** That is just speaking of the United States.

There is reference made to the many candidates who have their own money to spend, and how money has really overtaken the United States in a big way. There is no doubt that when persons contribute large sums to anyone's campaign, they naturally feel that they have purchased certain interests in that person. While some grin, and guffaw over those thoughts and the things that I am saying, all of us know in reality that is what happens here in the Cayman Islands; we know who are the favoured few; we know who gets the ear of Government - it continues to this time.

Certainly, people do not contribute large sums of money simply because they love a candidate (or there would be less of that I am sure), but because of the fact that they believe candidates may be highly electable and candidates may favour some particular venture or business undertaking that they are into. That is why I personally believe that certain corporations, such as banks

and trust companies or partnerships, should not contribute to campaign funds for candidates. Owners, partners or shareholders in those companies may do so, but that is a more personal right of the individual.

Some of the information that I have, titled "United States Code, Title 2", "The Congress, Chapter 14", "Federal Election Campaign, subchapter I", "Disclosure of Federal Campaign Funds, section 441b", "Contribution or Expenditures by National Banks, Corporations, or Labor Organizations", which says: "**It is unlawful for any national bank, or any corporation organized by authority of any law of Congress, to make a contribution or expenditure in connection with any election to any political office....**" To some people it would become fairly easy to understand why, if some banks laid out large sums of money to candidates who were successful, let us say, and that bank had underwritten the campaign cost of the people who were successfully elected; let us say the Government had to go to take certain loans (as is the case of the Government of the day with its multiplicity of loans) one would then wonder, would that bank get any particular consideration or favour?

I think the Bill should include a section here that would make the campaign contributions, particularly to the individual and not to the corporations, banks, trust companies, as the case may be. I do not know whether contributions have come from such entities in the Cayman Islands. But certainly since a Bill is being brought to the Legislative Assembly to be amended, it would be the perfect time to ensure that such a clause was in it.

The amount of \$2,000 is reasonable in that the need is there for finding campaign funds. All candidates, one way or another, need to have campaign funds and there is only a relatively small pool of persons who are in a position to give contributions. For that small pool it should be kept within a reasonable limit. Some of the information that I was able to get regarding an effort in the state of California says to limit it to \$200. But then there are a few million people in that state of the United States. So one could see that large sums of money could be raised through such an effort. Our pool of people here, maximum population 30,500... certainly not even half of that would so contribute. Taking that and the amount of \$2,000 into account to me seems reasonable.

The Bill also provides for a candidate to be responsible for the money spent on his or her behalf. I see that as being necessary since it is the case that individuals are seeking office, one needs to tie it to these individuals to have someone accountable. However, there is a part of the Bill with which I have some disagreement, that is, that a candidate must not collect more than the \$10,000 as representing the limit on the advertisement for the election. I say that from this point of view in that, unfortunately, the Cayman Islands is subjected to the malady that only every four years there is something called politics and campaigning; only every four years people are called to book for the promises made four years prior; we are only supposed to scrutinise those persons every

four years; the efforts to educate and to communicate with the people only occurs every four years. I disagree with that. I believe candidates, certainly representatives and groups of which they are a part, have an ongoing obligation to the public. The least that should be done by these groups or these persons is to have an office where they can be contacted, where the administration of it is paid for (the telephone, the facsimile, the electricity), and that it is a place where the public can go to meet the people who they elected. What has happened here in the Cayman Islands is that there is what is called an 'MLAs' Office' which is paid for in a large part by public funds.

What I am suggesting is that there should be enough concerned contributors in this country who wish to see good government (be it of whatever policy leaning) that their contributions could be collected and be used to ensure that the political economy continues throughout a four year term and not end at one election and suddenly flare up at the beginning of another campaign. So from that perspective, I think contributions may be made by persons specifically for this campaign, or this election perhaps. But there should not be anything to hinder a person who might wish to contribute to that group in an effort to carry on their promises or policies, through a means of keeping a machinery in place for public interaction and public information.

The Speaker: Would this be an opportune time to take a luncheon suspension?

Mr. Gilbert A. McLean: Yes, Madam Speaker.

The Speaker: Proceedings will be suspended until 2.30 PM.

PROCEEDINGS SUSPENDED AT 12.59 PM

PROCEEDINGS RESUMED AT 2.54 PM

The Speaker: Please be seated.

The Second Elected Member for Cayman Brac and Little Cayman continuing the debate.

Mr. Gilbert A. McLean: Madam Speaker, in debating this motion, I think it is necessary for one to consider that by limiting the heretofore unfettered expenditure on campaigns, there could arise temptation for would-be candidates to use money other than in campaigning, by directly influencing votes or buying favours. In fact, I was asked that question. I thought that this limiting of expenditure on campaigns might cause such a thing to happen. I daresay that such thoughts may arise, indeed such things might actually happen. But already in the Elections Law are sections which deal with treating and bribery and, should such occur, the persons would run afoul of the Law.

The Bill provides in section 53D that "**No sum shall be paid and no expense shall be incurred by a can-**

didate at an election, less than 110 days before, or during or after an election, on account or in respect of the conduct of management of the election which shall exceed in aggregate \$10,000..." It does seem that the law in effect is saying that any expenditure by a candidate, 110 days before an election would fall under the requirements of this law. One could look at that as being somewhat unreasonable.

Only today someone asked when the campaign for the 1996 election is really going to start. In the minds of many people campaigning really has not started as yet. Normally it is around September, on Nomination day, that one finds campaigning starting in earnest. There are, of course, certain candidates who are putting out messages on television or in the newspaper which is reasonable to do. But it certainly does further stretch \$10,000 to cover advertisements over a period of approximately four months. So, as I mentioned earlier, \$10,000 seems an extremely small amount of money if one is to really have an effective advertisement campaign.

There are penalties contained in this Bill, as they rightly should be, for the law would be of little use if it was not so framed. The amounts are substantial and should act as deterrents for anyone who might attempt to break the law. I think, too, there is a considerable amount of discipline imposed by having time limits on filing the returns on expenditure which forces persons to keep an account of expenditures and to be more conscious, I am sure, of how money is spent. Also for the people with whom a candidate might be dealing, purchasing particular goods or advertising materials, that they submit their bills promptly (which some tend not to do, and they come in months after an election when money has gone to pay other expenses). It means digging deeper into the pocket to meet some of the delinquent bills.

Generally speaking, I think this Bill cannot be seen as perfect. But I do believe the Cayman Islands is entering into an undertaking that is indeed futuristic, if one would argue that it does not totally apply to the present, which I think it does. It is a way of guaranteeing to some extent a disciplined, straightforward limitation on what happens in elections in the Cayman Islands, and it creates the condition whereby there is a levelling of the playing field where it gives each candidate equal standing to money that is spent towards any given campaign.

As I have read and noted in what I think is an extremely good text on this particular area of elections and the process of a population choosing its leaders, the whole matter of elections and of capping funds is to come up with that very fundamental principle of political equality which is so desirable in a democracy such as ours.

Madam Speaker, I give this Bill my support and I stand prepared to argue the points which I have raised and on which I have some disagreement.

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, there is not much more that needs to be said on this issue. I certainly want to add my support to this amendment.

This amendment came about when we discussed the Register of Interests in the Select Committee. I do not want it left unsaid, nor left for anyone to believe that this came about by the Second Elected Member for Cayman Brac and Little Cayman, or anybody else. Except that the Honourable Minister for Education and Planning during the course of the meeting talked about it and asked us whether we would support it. We had discussions on it and this is how this amendment came into being. The next thing we know there is a motion asking for it to be done.

POINT OF ORDER

(Misleading)

Mr. Gilbert A. McLean: Madam Speaker, on a point of order.

The Speaker: May I hear the point of order, Second Elected Member for Cayman Brac and Little Cayman?

Mr. Gilbert A. McLean: Madam Speaker, what the Minister for Community Development has just said is not founded in fact. The Private Member's Motion to which I spoke about earlier was in the Clerk's office. I understand the discussion that he is talking about was on the 28th day of May when the First Elected Member for Bodden Town and I were in London. The Motion was in the Clerk's office before that time.

The Speaker: The Member has a point there, Honourable Minister.

Hon. W. McKeeva Bush: Madam Speaker, if I may, that is not correct. All the Members of the House know it because they were all there. Those two Members were in the Committee. This is not something that we should be haggling; they were in the meeting and at the time the Member for Cayman Brac and Little Cayman said to the Minister for Education, "**I do not normally agree with you Truman, but at this point I want you to know that I will fully back you in what you are doing.**" Those are his exact words. It is not a big point, but what I am saying is that the Minister for Education and Planning brought it to the Committee while the two Members were there. They agreed. These are the facts of it.

The Speaker: If the Second Elected Member for Cayman Brac and Little Cayman will withdraw his point of order....

Mr. Gilbert A. McLean: Madam Speaker, I will not withdraw my point of order because what I have stated are the facts. Everybody can make up their own mind as to the truth of it. What I have stated is the fact.

The Speaker: If there is a point raised and it needs to be substantiated, then I need to see the documents. If there are copies of the Minutes of the Meeting, I think it was said the 28th of May, which one can present I would like to see that. Then let us clear it up. A point of order has been raised. It has not been withdrawn. Once I see the documents I can say whether it is a valid point of order or not.

Is anyone prepared to present a paper to substantiate either one of the statements? I am prepared to have a pause in the day's occupation.

(pause)

Hon. W. McKeeva Bush: Madam Speaker, I am sure that the Minutes will confirm what I am saying. I do not have them with me.

The Speaker: Give a minute and let us see if we can find them. Madam Clerk, can you help with that, please?

(pause)

I have here a copy of the Minutes of Proceedings from the 31st of May. Is that the date you referred to Honourable Minister?

Hon. W. McKeeva Bush: Madam Speaker, I do not recall the date. What I recall was the conversation in the Committee.

The Speaker: Well, in the Minutes of the 31st of May there is a note here for apologies from the Second Elected Member for Cayman Brac and Little Cayman and the First Elected Member for Bodden Town - off the island. The last page (which is page 3), states: **"Amendment to the Elections Law: Agreed that Legislative Council draft an amendment to the Elections Law to provide that a candidate's maximum election contribution expenditure shall be CI\$12,000."** That is the 31st of May. The Private Member's Motion was presented to the Clerk's office on the 24th of May.

Have you any other comments to make to that Honourable Minister?

Hon. W. McKeeva Bush: Madam Speaker, I merely stated the facts of what went on in the Committee. I do not know exactly what date it was. I do know that what I said is exactly what the Second Elected Member for Cayman Brac and Little Cayman said to the Minister for Education and Planning when the matter was raised. That is the first time the matter was raised, in the Committee.

The Speaker: Honourable Minister, unless somebody can clearly show me any document that is different, this was on the 31st of May when the Member was off the island. If there was a subsequent meeting to that at which the matter was raised...

Hon. W. McKeeva Bush: Madam Speaker, there had to be because the Member was there. Now, what I would ask you to do, since people want to pursue this thing and deny it, please take a suspension and let us look at the whole Minutes.

Mr. Gilbert A. McLean: Madam Speaker, the only point that I am making is that the Motion which is on the Order Paper now relating to the amendment to the Elections Law was submitted by the First Elected Member for Bodden Town and I before the 31st of May. It would be a strange day in the Cayman Islands when I had to hear a discussion that would prompt me to write a motion about something that had been discussed by the Government Members.

Hon. W. McKeeva Bush: Madam Speaker, can we take a suspension and look at all the Minutes of Proceedings? I had no stretch of the imagination that the Member would object, because I know the Member was there. He reached his hand across the table and shook the hand of the Minister for Education and Planning and said, "Mr. Truman Bodden, I support you in this and let us do it." I ask that we take the suspension so that we can look at this.

The Speaker: Just a minute Honourable Minister. I already have the Minutes of the proceedings for the 31st of May. Apparently there was a meeting scheduled for the 10th of June. I need to see those Minutes.

Would the Serjeant-at-Arms ask the Clerk to let me have a copy of those Minutes? There could not be any meeting before, it would have to be after the 31st of May. That will take a short time.

Hon. W. McKeeva Bush: Madam Speaker, are you saying that it could not be before the 31st of May?

The Speaker: With the discussion? Yes, because the Member was away on the 28th to the 31st of May. There was nothing in the Minutes of Proceedings about this sum of money to be included in the Elections Law.

Hon. W. McKeeva Bush: Madam Speaker, I do not recall the entire discussion. But I recall the suggestion about limitation of campaign spending. I am not saying it was the 12th or the 15th... it might have been the 12th at that time. All I know is that it was a day early in May when those two Members were at the table.

One Member is saying to me across the way, that it was on the 8th of May. I do not remember the day, but certainly other Members know because they were there.

It is possible, too, Madam Speaker, that it was not carried in the Minutes. I remember the discussion. But if the Member is going to deny that amongst all the Members who were there, then so be it.

The Speaker: There was a meeting on the 8th of May, and a following one on the 25th of June. I do not see anything in the Minutes for the 8th of May. This was dealing with the discussion form for the Register of Interests. (pause)

The other meeting was the 25th of June and there is nothing in that.

As far as the records show, I cannot say what went on in the discussions. The Member has raised a point of order. Unless I can have something in writing. Would you just pass that over please?

Hon. W. McKeeva Bush: Yes, Madam Speaker. It is okay.

The Member knows what I am saying is the truth and other Members know. It is not a major point. The fact is, I remember that conversation. But I guess that would be like the point about Social Security which he did not talk about either when it is in the newspapers and in the *Hansard*.

The Speaker: Honourable Minister, please keep to the subject, which is the amendment to the Elections Bill.

Hon. W. McKeeva Bush: Madam Speaker, I am trying to do that. But it really gets to a point when people are jumping up and down saying that they did not say this and the *Hansard* carries it - like the Social Security.

The Speaker: If I could just ask you not to repeat that again, Honourable Minister. You know that you should not.

Hon. W. McKeeva Bush: I should not. I just find pleasure in doing it, Madam Speaker.

The Speaker: And I find pleasure in bringing your attention to the fact, sir. Please continue.

Hon. W. McKeeva Bush: Thank you, Madam Speaker.

Having gone through this little ordeal here, the Member made several points - in fact twisted several points - and sailed close to the wind in making allegations against Government. There was the complaint about the advertising vote in the Budget. How can anyone term this electioneering? Government has a Government Information Service; that information service is there to carry the messages regarding the work of Government, be it Elected Members, departments under the Elected Members or Official Members. This is not something for elected members alone to use, and certainly it will not be that way. The cry in the country (most of the time) is that we do not give enough information; we are putting forward schemes and are doing things and the

public is not aware of it. Certainly, I find myself in the position as one Minister, who has had to have a medium by which the public can better understand what is being attempted.

When we see the confusion thrown into debates, into questions, it is better that the public hear for themselves. That is all that is taking place. It is no more than what has been carried out over the years. Government has an information service and we are using it to tell the people what we are doing.

The Member made some remarks about the contributions and payments in this country. Just after one election to the next election (a four year period) during that four year period there are plans, for instance, for parks; groups: Girl's Brigades, Duke of Edinburgh Award Scheme, Scouting, which we give grants to, and many other needy and worthy causes. We have the means - it is passed by the House. But this is a four year period.

Why would that Member try to impute that the giving of contributions and payments by this Government is something to garner votes? It is because they have attempted to smear Government and they are not getting away with it. The public understands that what they are saying is a bunch of nonsense.

I, for one, have never believed that the spending of large amounts of funds should be the means by which someone propels themselves into elected office. I believe that you must have some contact with the people; that you should not just get up and be able to have hundreds of thousands of dollars at your disposal given by other people or even your own money which pushes you into office. My personal belief is that you should have proven yourself in the community. I, for one, certainly do not believe that we should spend these large amounts of money.

I heard the Member talking about the amount of money that was spent for the by-election in Bodden Town. But that went on on both sides. I believe that the person in this House connected with that can give a good account of themselves. But I do not think that anyone did any more than the other. If anything, the one who lost did a lot more. So you had to wonder whence the money came.

There is negative advertising, and there is down-right dirty advertising. I would love to see it stop because it does not do any good. I even see that these days the facsimile machine is being used.

When it comes to funds... there was a debate on national television where a candidate, a former member of the House, got up and said that it was not true that he had taken any funds from any particular team. The funds that were given to him were his. Yet, it was pushed all around that the money was not his and he had taken some of it. I am sure that the Member interrupting just now knows what I am talking about.

We believe that this is the right thing to do. We believe that this is the right amount. If I had my way with it, it would put less because the way to do it is to go to your people and keep among your people. You should not

have to wait until election time to do dirty campaigning to get into office. I support this Bill. While I could not get the amount to be less, I will have to go with the amount contained in the Bill.

I will close by saying that some people can get up and talk about what others do, but we never hear what they have done. You hear about advertising in Bodden Town, but you never hear about the cows in Cayman Brac.

Thank you, Madam Speaker.

The Speaker: The Third Elected Member for Bodden Town.

Miss Heather D. Bodden: Thank you, Madam Speaker.

Having just recently contested in the by-election in the district of Bodden Town, rumours are rampant as to the large amount of money that was spent in support of my campaign. I can assure this Honourable House and the public that these rumours are unfounded. Before I entered that political race last December, I made it quite clear to those who encouraged me that I would be doing it my way, and that was the honest way.

In my opinion this Law will put to rest these sorts of rumours by candidates who are unsuccessful and must find someone to blame rather than themselves for losing the elections and their supporters too.

Madam Speaker, I support this Bill. Thank you.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker.

I rise to support this Bill. I believe that this amount is fair, considering the cost of advertising. For individual new candidates who would like to get their point across this is a reasonable amount. Candidates who are up for any general election or by-election will be able to get elected through their actions, and no amount of money should be needed if they act in the right manner.

I am sure that the public will look at an individual's track record to see how much they have contributed to the community, not monetarily but time-wise, and at what they can do for them as a representative. It is irrelevant how much an individual spends if they can prove that they would be a good representative.

I would like to see the action under section 53C of this Bill, subparagraph (5)(a) taken a bit further. Here one could say that 'ignorance is bliss'. It says: "**the act or omission took place without his consent or connivance;...**", that is the consent of the candidate or the person that is running. It is hard to prove that a candidate knew or did not know that an individual was acting on his behalf. It says that he has to have it in writing. However, if an individual commits this offence there is nothing that can be done to the individual who commits the act without the permission of the candidate. In other words, individuals can go out and campaign on behalf of

a candidate and the candidate can say that they did not give written consent or that they did not know about that taking place and the individuals can get off without any penalty. There is nothing in the law. Do we just slap them on the hand and say, you should not have done that, when the damage might have already been done, and money already spent on that individual, perhaps even dirty advertising took place? I would like to see that extended in a better form, perhaps making it a criminal offence.

One of the things that makes this Bill very good is that invoices are to accompany the claims in respect of expenses. Therefore no individual can say, "well, I paid for an advertisement" or "I forgot that this advertisement ran", or whatever. Invoices must accompany all expenses. This, I am sure, will prevent anything from being left out.

There is an advantage for Members working with Members as a team as mentioned earlier, for example, individuals in George Town. If there is a group of say three, there is a total sum of \$30,000. However, for individuals from East End and North Side, for instance, they are restricted to the sum of \$10,000. But that is the case when we have more individuals as representatives, there is not much that can be done about that.

Under section 53A(2) it says "**Every payment made by a candidate in respect of any election expenses shall, except where it is less than \$25, be vouched for by a bill stating the particulars and by a receipt.**" Individuals can purchase a ream of paper and run it off printing from a computer and it amounts to less than \$25.00. Again, I feel that this should have been less, perhaps say \$10.00. All expenses should be accounted for whether it be \$10.00, \$25 or even \$10,000 for flyers in any way. There are ways of getting around it if this section is left as it is. There are a lot of flyers for advertisement that can be made for less than \$25.00.

In any system it can be beaten if that individual is not honest or wants to have his way. In general, I am pleased to see this. As other Members, I am happy to have this for the upcoming election in November. Therefore I support this Bill.

Thank you.

The Speaker: The First Elected Member for Cayman Brac and Little Cayman.

Capt. Mabry S. Kirkconnell: Thank you, Madam Speaker.

I rise to offer my contribution to a Bill for a Law to Amend the Elections Law (1995 Revision). In the Committee I listened carefully when we were discussing this law and the reforms that we are making here today do not affect me. I have run successfully in four general elections and my entire expenditure does not come up to the sum that we are talking about as a maximum for any one campaign. Long before I entered the political arena it was my policy to help those who needed help. I contribute regularly to the needy folks in my district, meeting

with them on a regular basis not only to discuss political needs, but their physical needs as I feel that doing this is of more benefit to my community (being a small constituency). Therefore, I do not have a requirement for major advertisement either through printing or television. The clauses in the Bill will not affect me, but I am glad to know that we are putting safeguards in place.

I feel it is an honour to be elected to serve my people and to be an Honourable Member of this House. Therefore everything that we do should be honourable. If this is what it takes to keep us in line, then I support this Bill. It will ensure, I do believe, a good general election. I look forward to a peaceful election. Thank you.

The Speaker: If there is no further debate, would the Honourable Temporary First Official Member wish to reply?

Hon. Donovan Ebanks: No, Madam Speaker. I have nothing else to add. Thank you.

The Speaker: The question is that the Bill entitled the Elections (Amendment) (Election Expenses) Bill, 1996, be given a Second Reading.

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

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given a Second Reading.

AGREED. THE ELECTIONS (AMENDMENT) (ELECTION EXPENSES) BILL, 1996 GIVEN A SECOND READING.

The Speaker: Second Readings continuing.

SECOND READINGS

REGISTER OF INTERESTS BILL, 1996

Clerk: The Register of Interests Bill, 1996.

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, the Bill before us today is not one which the public has been clamouring for. So there has not been much public debate on it. However, it is to the credit of the Parliamentarians of this country that we believed that since this matter was on the business paper of this House since September 1989 we should put it into law. It is something which can only contribute to the national interest and assists the preservation of public confidence in our democratic system.

The Committee dealing with this law has been de-liberating since 1994 with the Deputy Speaker, the lady Member for North Side as its chairman. I would like to publicly offer my thanks to her for her diligence in that Committee. We believe that we have a law that contributes to allaying such doubts as may enter marginally, on the political scene. All of us are aware that no matter what law we put in place, it will never stop evil-minded persons from making unfounded allegations and telling outright lies. Those of us who suffer attacks and accusations on our integrity from vicious persons (such as has been taking place in this country) will continue to be targeted in this manner as long as we are in the public domain, no matter what law is in place and how close we follow it.

We operate a democratic system of government and we must always be concerned about the efficacy, the integrity and the effectiveness of our political system. There are many factors when positively present, may lead to success and when negatively absent, can lead to failure. We as Members should leave no stone unturned to contribute to the success of the system and minimise the danger of failure. On the matter of consideration of this kind of legislation the question of private versus public interest can arise. It could be that a person would feel that the invasion of privacy would be so great as to outweigh the advantages to the public interest. We have agreed to look at it in a wider context.

My position and my attitude over my 12 years as being elected to this honourable House are that when I entered politics, by that very act I had turned my back on my private person and had made myself a public servant. While there is a line between our privacy and our public duty, we cannot really (by any stretch of imagination), regard our entry into politics as part of an act of private surrender. For in this day and age when some are so willing to adjudge us wrongly, our surrender to the public scrutiny must be measured in large enough quantities to as much as is possible, show willingness on our part to be open. Many times I have to ponder, how can people be so viscous? Why are some of our people, small in number though they be, so willing to think the worse of their fellowman.

One of the sad traits in some Caymanians is that jealousy and envy run so prevalent that a person cannot own a decent home for their family or drive a decent car or own a successful business before fingers are pointed and accusations made. What it seems to me is that outsiders come here and own big homes, have big cars, and are made directors of companies with many perks, that seems to be okay. That is fine and dandy. Let it happen. A Caymanian is in the same position and that is wrong.

Madam Speaker, it should be pride and joy when we find a capable Caymanian to be asked to serve as a director in a reputable institution or to own a good home for his family or to have a decent car if they have done all of this in the proper fashion - in the right way. Once it does not impinge upon public interest. But it seems to

me that we must not do that, Caymanians (at least some) seem to think that is wrong.

When we look at our history in this country (as anyone who knows the history can tell us), the practice of elected people doing political work along with their personal business has been part of our way of life for decades. It has been accepted as legitimate for as long as we can remember. It is interesting that as long as a certain class of individuals were doing it, no murmur of protest was heard.

I would like to use myself as an example. In recent years when people like me, along with others, have come to political prominence while still being in business, under-handed campaigns begin to smear us by suggestions, by innuendoes, by sarcasm, without any basis. In fact, when earlier politicians were in business that was fine. Now that we have our businesses, that is wrong. That is a strange shift in position and we have to wonder what it is based on. As I said, I thought people would be proud, rather than make accusations. The sad reality is that people like me are being subjected to character assassination by implication, and the further reality is that gossip (as we all know) is often accepted as truth by the man in the street. Mind you, these instigators are very clever in their work because they never actually accuse you of anything specifically; they do not make any charges, but they phrase their remarks or questions in such a way as to leave the impression that you are doing something illegal or immoral or dishonest. As I have said, while they do not accuse you face to face, they are even now faxing it. Like this morning, we found some flyers on the front steps of the Parliament building.

What do you do about these kinds of people? Clearly you cannot go around responding to every comment, explaining every allegation, challenging every remark, and most of the time they are not made to your face anyway. As my grandmother used to say, I am told, "you can lock up from a thief, but you cannot lock up from a liar". That is what these people are. That is why I welcome this legislation, not only do I welcome it, I have pushed for it since 1989 because people like myself will always be criticised and have allegations made against. I have nothing to hide. Let us get the facts, let everybody see the true picture and let us be done with this maliciously smearing campaign.

I have no doubt that certain members of the establishment are upset and get upset because people like me, who came from the other side of the street are here sitting in Executive Council - voted in by the public - the people of this country helping to run this country; helping to shape the future of the country; helping to make a better way of life for Caymanians. Well, they have to take a couple of aspirins or perhaps a couple of cocktails and get over being upset. This is 1996 and we are not going to go away, sarcasm is not going to drive us away, neither will innuendoes neither will malice. This is 1996, let us deal with information not implication. Let us deal with information not speculation. Let us deal with infor-

mation not insinuation. So I am indeed happy that this legislation is before us and that I was given the privilege to pilot it. That is why the Members of this House and I have been adamant that this legislation is passed, for those reasons I mentioned earlier.

As one person said to me, "What about the question of enforcement?" The question of enforcement must arise in the public's mind. How will it be enforced? It is true that a crooked person will find ways and means to evade the law. As we all know laws do not in themselves make people honest. But I suggest that we cannot refuse the attempt at doing that which is right merely because enforcement of what is right might be difficult. To me this is a challenge to our collective will, not an argument against doing something, or inactivity.

We know that in today's world we must be honest with ourselves. We have to concede that there are probably various ranges of devices through which a person acting improperly could conceal their acts. One has to accept this. But I suggest that we cannot refuse to attempt doing that which is right, as I have said, merely because enforcement could be difficult.

One cannot dwell on the evils every time one is confronted with a difficulty. We have to weigh in our minds (even if we cannot devise a perfect system of enforcement), the very fact that there is an attempt being made; an attempt that is presumed to be subject to review from time to time with more refined and more sophisticated techniques. On the one hand to make improper behaviour more difficult. If there is improper behaviour, at least we can retain the techniques of detection and make it more and more difficult. Therefore at the very least we can achieve, if not a perfect deterrent against improper dealings in the future, a deterrent against the very temptation. So that some may fear to enter into improper dealings at some time in the future. The very knowledge that a man dealing improperly would have to declare by a sworn affidavit annually, that he was not engaged in such dealings would be a deterrent to he who might otherwise be tempted.

It might reduce the scale of impropriety for others who might go, shall we say, on a joy ride. Someone who is not in favour of the system would be deterred thereby reducing the scale of evil-doings which would again be good for the system. If somebody is so ruthless and smart, not to be deterred at all, then he is faced with the fact that he is not only guilty of wrong doing but of doing it in the face of an accepted system of investigation and proceedings of this House. He faces, if in this position, such penalties as this House might determine to impose upon him. To say nothing of the public disgrace that would be visited on him.

I believe that this legislation, as I have said, comes at a good time for more than one reasons. The Memorandum of Objects and Reasons says: "**The Register will be open for public inspection in accordance with arrangements to be made in the Bill. The Register of Interests will provide for the disclosure of the interests of Members of the Legislative Assembly and**

will establish a safeguard against any future weakness in maintaining the highest possible standards of legislative conduct. The Registrar and his staff will be subject to the provisions of the Confidential Relationship Preservation Law (Revised)." So all of us, are going to have to put what we own, or what we are directors of, in this Register. It will be there for the whole world to see.

Schedule I to the Bill provides that Members of the Legislative Assembly, election candidates (you cannot leave them out because the truth is, the vicious campaign of propaganda and allegations made against people like me, is by the candidates). I do not mind relating this to the House: A lot of people know that I had an incident at my home which nearly wiped us out - the rains came in May, the roof caved in and we practically had to replace everything.

One candidate said that I was living in a condo, that I owned a condo. I wish I did. Unfortunately, I had to go out and rent. Yet, we have candidates spreading this kind of propaganda, making these kinds of vicious allegations. But there is an Almighty in whom I believe. He created us and He takes care of us. So it is good for candidates to have to put up, or get out of the race. They have to say, "I own this," "I own that," because there are just too many innuendoes being made against Member of this House. So I welcome that.

Journalists who report on the meetings of the Legislative Assembly are required to register their interests. I do not like to put these kinds of extensions to our situation because we are different from the rest of the world. At least that is the way I feel, but people are saying that is the world we live in in Cayman. We have heard and read about people who write stories on the work of Parliament. They do it because they have an interest - they are paid to do it. They are paid to make someone look bad or a bit of business comes up which Parliament has to deal with and a company or person wants certain position put forward because they have a vested interest in that business. So it is good that all who are connected to the work of Parliament be put in that position where they have to say to the world, "this is what I own." How glad I am, because this is going to be made public and all those things that they are running around talking about us, now they will say, "But boy you know people can really lie. McKeeva really does not have any house anywhere except the one he has in West Bay. Look at this, this business he has long time ago, before he got into Executive Council. Yet they are saying that he got it after he went into Executive Council". So I am happy and proud that we could have gotten it here. It will not stop all the liars, as my grandmother puts it: You cannot lock up from liars, you can only lock up from a thief sometimes.

Each year Members and journalists will be required to make a declaration of their interests in the form provided in Schedules 2 and 3 of the Bill. The first declaration will be required to be made in respect of interests, existing on the date, the commencement of this Law.

The declaration will be made to the Registrar appointed by the Governor for the purposes of this bill under section 53(A) of the Constitution. The Constitution gives power because of a Register of Interests to be set up.

The interests that will have to be declared under the Bill include details of directorships and shareholdings, employment, financial sponsorship, foreign travel relating to official duties not paid for by the Member, and income derived from property. Relevant parts of the declarations will be required to include these details for a Member's spouse and children. So right down to the travel we do for Government we will have to record.

A Member of the Legislative Assembly can be suspended from the Assembly for failing to comply with the Law. But only after a period of the Standing Committee on the Register of Interests has been debated by the Legislative Assembly and it is satisfied that the Member has failed to comply with the Law. False declarations by non members (declarants) will be criminal offences. And the law provides for the various fees that will be charged. I am happy. I do not believe they go up to \$10,000 or to imprisonment for a term not exceeding two years or sometimes both. But these are the things that are covered in the Bill.

As I have said in opening the debate, it is not something that has had much public debate. But I think it is to the credit of all of us as Parliamentarians that this Bill is before the House. You are going to have people get up and say, this does not mean anything. And it is true - as I have said, a law in itself does not make anyone honest. You have to be an honest person and that has to come from the depths of your soul. It has to be something that you learn from your mother at home, your father, or somebody who has raised you. Something that you have learnt. A law will not make anyone honest, but what this law does is, it says to the world "John A. Henry, who is a Member of the Legislative Assembly of the Cayman Islands, owns 'a,' 'b,' 'c,' 'd,' and 'e;' he is a director of a certain company, and this is what he owns."

I am glad. I cannot often say that, because it is people like me who are targeted. We never hear about those who got their homes while they were here. They only try to talk about us. Everything that has been said about us, people can look around and see who got what.

Madam Speaker, I do not think the Bill will have any trouble in being passed. I await to hear what other Members have to say. I again, want to thank all the Members of the House who were in agreement to get this Bill before us now. I would like to thank the Secretary to the Committee, again to thank the Deputy Speaker, the lady Member for North Side for her stewardship. Thank you very much.

The Speaker: The question is that a Bill entitled the Register of Interests Bill, 1996 be given a Second Reading. The motion is open for debate.

The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Madam Speaker, I am very pleased to see that the Motion which I moved in 1994 (Motion 11/94) asking for the establishment of a Select committee of the whole House to review a Register of Interests for the Legislative Assembly in keeping with the section of the Constitution that allows this has finally made it to the floor of the Assembly. Included with this is another motion which I also moved in 1994 (Private Member's Motion 29/94 - Code and Ethics and Conduct for Legislators) has come this far.

The same feelings that motivated me then are certainly in place now: In the world of politics, in the world that exist in the Legislative Assembly, in the world where private interests may clash with the duties of public office it is necessary to have in place some mechanisms that will provide check and balance to this particular condition. Following the way in which it is handled in the British Parliament we have adopted a similar system here, by having a Register of Interests which also follows in the nine areas where legislators are required to declare their interests.

I think it is specific enough to serve the purpose for which it is intended and it will make a difference for legislators. One will have to declare one's interest and for any interested party in the public or within the Parliament, one can determine if the duties of public office clash with the personal interest of individuals. This may be the case deliberately or unintentionally. What the Register of Interests will provide is a means by which one could make a determination.

After many attempted meetings (meetings without quorums and all the rest of it) to deal with this matter, it has finally come to the floor of the Legislative Assembly. I for one have no problem in complying this register. I hope that all of those who boast so mightily, of all the things that they own and have and who suggest that the only people who should be in this Legislative Assembly are those with great holdings and a lot of things to lose will be in a hurry to write down their interests here for the world to see.

Much deliberation has gone into this legislation. Even at this late point in time, I wonder seriously whether the legislation rightly includes candidates for elections. I raise the point because I daresay that we will be dealing with this in the Committee stage, where corrections can be made as a last resort before legislation is passed. It might be considered necessary by the Attorney General that these persons could be required to make declarations. But whether it is correct to do so under this particular section of the Bill gives me some cause to wonder about its correctness.

I am referring to section 53A of the Constitution (that is the new section of the Constitution that was approved by the British Government and which came into effect in 1993) where it says: "**53A(1) There shall be a Register of Interests for the Islands which shall be opened to the public. The register shall be maintained by a Registrar who shall be appointed, and**

may be removed from office, by the Governor acting in his discretion."

Subsection (4) says: "**This section applies to all Members of the Legislative Assembly and the holders of such other offices (except that of Governor) as may be prescribed by law."** It is clear that it applies to all Members of the Legislative Assembly and, secondly, to the holders of such other offices as may be prescribed by law. Now the question that arises in my mind is: How do we see candidates in the general election who have accepted nomination as holders of such other offices? They do not hold any office, and, indeed, they would not be members until they were fortunate enough to have been elected. So I seriously wonder if we are correct in including candidates for elections in the legislation before us, and also including them in section 7 of that schedule.

If we look in the Constitution as well, in section 54 where it speaks of offices and appointments, it says: "**The Governor, in Her Majesty's name and on her behalf, may constitute such offices for the Islands as may lawfully be constituted by Her Majesty and, subject to the provision of any law enforced in the Islands, may make appointments (including appointments on promotions and transfers) to any such office; and any person so appointed shall, unless it is otherwise provided for by any such law, hold office during Her Majesty's pleasure."** Again, I do not see how we could interpret that section of the Law where it refers to 'other offices' that are constituted, with a candidate for election falling within this particular definition.

I simply raised that matter because there may be those candidates in the forthcoming election who, on taking advice may challenge whether they should sign this register or not on the grounds of it being legally correct. I think that it is something which should or could be looked at again even in Committee stage, to determine if what has been done here is correct.

I am happy to see this Register of Interests, except for the point that I have just raised. I think it is in keeping with the Register of Interests of the United Kingdom Parliament which we have used as a guideline, and have modified the sections to relate more appropriately to the Caymanian society. I also hope that there will be the Code of Conduct which emanate from it (or be in legislative form or in manual form) so that all Members of this House would have an easy reference in determining what might be acceptable or not acceptable in carrying out one's official duties, performing one's personal commitments and dealing with one's personal interest. I support this Bill before the House.

MOMENT OF INTERRUPTION - 4.30 PM

The Speaker: It is now 4.30, the moment for interruption. Honourable Minister for Community Development.

ADJOURNMENT

Hon. W. McKeever Bush: I move the adjournment of this honourable House until 10 o'clock tomorrow morning.

The Speaker: The question is that this House do now adjourn until 10 o'clock tomorrow morning. Those in favour please say Aye . . . those against No.

AYES.

The Speaker: The Ayes have it.

At 4:30 pm, the House stood adjourned until 10:00 AM Thursday, 18 July 1996.

**EDITED
THURSDAY
18TH JULY, 1996
10.10 AM**

The Speaker: I will ask the Honourable Second Official Member to say prayers.

PRAYERS

Hon. Richard H. Coles: Let us Pray.

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

Bless our Sovereign Lady Queen Elizabeth II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated.

Order. Proceedings are resumed. Questions to Honourable Members/Ministers.

I note that the First Elected Member for Bodden Town is absent once again. The question therefore falls away.

The next item is a Statement by the Honourable Minister for Sports, Women's and Youth Affairs and Culture.

STATEMENTS BY HONOURABLE MINISTERS/MEMBERS OF GOVERNMENT

SOCIAL SECURITY SCHEME

Hon. W. McKeeva Bush: In my debate on Monday, 15th July, on the Pensions Bill I said that the Second Elected Member for Cayman Brac and Little Cayman,

of Team Cayman, had pushed for a Social Security Scheme. I wish to read from Mr. Gilbert McLean's debate in the *Hansard* of Wednesday, 9th November, 1994 (pages 380-401 and specifically page 396). I quote the Member:

"The Government needs to look at creating some sort of fund, or better yet, we need a programme or a system of Social Security in this country and we need it right now.

"It is a fundamental right written down in International Law, and subscribed to by England as well, which is the administrative authority for the Cayman Islands.

"If the Minister for Social Services wants to do something dramatic, I would say to him see about a proper Social Security System..."

I further quote from the *Caymanian Compass* of Friday, 11th November, 1994, which carried a portion of the same Member's speech. **"He called on Government to create a programme of Social Security in Cayman. It was needed right now. If the Minister for Social Services wanted to do something dramatic, he should do something about a Social Security System."** I lay these papers on the Table so that one and all can see who is telling the truth.

The Speaker: So ordered.

Before we proceed to Other Business, an apology has been received from the First Elected Member for Bodden Town who is still sick. The apology is noted.

Other Business, Private Members' Motions. Private Member's Motion 6/96, Amendments to the Liquor Licensing Law, to be moved by the Third Elected Member for West Bay.

OTHER BUSINESS

PRIVATE MEMBERS' MOTIONS

PRIVATE MEMBER'S MOTION NO. 6/96

AMENDMENTS TO THE LIQUOR LICENSING LAW

Mr. John D. Jefferson, Jr: I beg to Move Private Member's Motion No. 6/96, entitled Amendments to the Liquor Licensing Law, 1985, which reads as follows:

"WHEREAS at the present time there are no restrictions placed on establishments applying for a liquor licence with respect to its proximity to a church;

AND WHEREAS in the past twelve years the number of establishments issued liquor licences has in-

creased significantly, including establishments located in residential areas;

AND WHEREAS as a result of alcoholism, social disturbances are increasing in residential communities;

AND WHEREAS the Cayman Islands has a reputation as one of the highest alcohol consuming jurisdictions in the world;

BE IT NOW THEREFORE RESOLVED that the Liquor Licensing Law be amended to restore the restriction for establishments wanting to apply for a liquor licence to be a minimum of 1500 feet from a church;

AND BE IT FURTHER RESOLVED that a moratorium be placed on the issue of liquor licences in residential communities.”

The Speaker: Fourth Elected Member for West Bay.

Mr. D. Dalmain Ebanks: Thank you, Madam Speaker. I rise to second the Motion.

The Speaker: Private Member's Motion No. 6/96 having been duly Moved and Seconded is now open for debate.

The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: Madam Speaker, there has been a very important amendment moved and circulated for this Motion. Should I introduce that at this time?

The Speaker: Yes, you can, under Standing Order 24(7), which says; “**If a Member desires to vary the terms of a motion standing in his name he may do so by giving an amended notice of motion, but only if such amendment does not, in the opinion of the Presiding Officer, materially alter the scope of, or any principle embodied in the original motion. Such amended notice shall run from the time at which the original notice was given...**”

You may now proceed to include your amendments.

AMENDMENT TO MOTION (Standing Order 24(7))

Mr. John D. Jefferson, Jr: Thank you, Madam Speaker.

Amendment to Private Member's Motion No. 6/96, Amendment to the Liquor Licensing Law, 1985 reads: “In accordance with the provisions of Standing Order 25(1) and (2), I, the Third Elected Member for West Bay, move the following amendments to Private Member's Motion No. 6/96:

1. By including in the first paragraph the words “school or civic centre” at the end thereof; and
2. By deleting the fifth paragraph and substituting the following: ‘BE IT NOW THEREFORE RESOLVED that the Liquor Licensing Law be amended to provide that licences

shall not be issued to establishments within a minimum of 1500 feet of a church, school or civic centre.’ “.

The Speaker: Before that is seconded, I just need to draw your attention to the provisions which I read previously. The provision of Standing Order 25(1) applies, not 25(2), as Standing Order 24(7) says that if you wish to vary the terms of a motion you can do so. The Presiding Officer does not have to approve this amendment. It is just an amendment in accordance with the provisions of Standing Order 25(1), ‘25(2)’ shall be deleted.

The amendment may now be seconded. The Fourth Elected Member for West Bay.

Mr. D. Dalmain Ebanks: I wish to second this amendment.

The Speaker: Private Member's Motion No. 6/96, having been duly varied in accordance with the terms of the amendment circulated to Members, is now open for debate.

The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: Thank you, Madam Speaker.

With the amendment the restriction that will be placed on establishments applying for a liquor licence would include not only 1500 feet from churches, but any school or civic centre.

During the term of the 1976 to 1980 Government, a very positive amendment was put forward with respect to the Liquor Licensing Law of 1974. What that amendment was calling for was recognition of the respect and the role that our churches play in our community. It was felt that any establishment applying for a liquor licence should be at least a quarter of a mile from any church. I supported it at that time, and I felt it was a very positive motion. I believed that it spoke well of the Government of that day.

During the term of the 1980 to 1984 Government a moratorium was placed on the issuance of any new liquor licences in the Cayman Islands. It was felt at that time that we had enough premises holding liquor licences and that a moratorium should be put in place for the issuance of any new licences. What was interesting was that prior to 1985, when the Liquor Licensing Law was redone (and in the 1974 Law was repealed), was that there were no liquor licences issued (according to the statistics that I have) to any restaurant in this country. We keep hearing the argument that in order to make money one needs a liquor licence. Until 1985 no restaurants were issued liquor licences.

I believe that we need to re-establish some of these restrictions because I was also informed that it was during the 1980 to 1984 Government when the restriction of 1977, with regard to the distance that an establishment applying for a liquor licence must be from a church, was removed. I am told that was be-

cause the Villa Caribe Restaurant in North Side applied for a liquor licence and for a time could not get one because it was too close to a church. I understand that they got some consent from the church stating that they had no objection. As a result this very important restriction was lifted. Today, as a result, we have liquor licences issued to establishments within probably 100 yards of churches in this country. I believe that is wrong. I believe that we must re-establish respect for the churches and I believe that any establishment holding or applying for a liquor licence must be a certain distance from any church.

I am proposing that we re-establish the restriction with respect to the distance an establishment applying for a liquor licence must be from a church, but also, in accordance with the amendment, civic centres and schools would be included. I believe that this is in order because these are also very important establishments in this country.

The Motion is also calling for a moratorium on the issuance of liquor licences to establishments in the residential communities, that is, the outer districts. I believe that the residents in these areas welcome such a move because we have more than a sufficient number of establishments in these areas that do have liquor licences. In many cases they have become nuisances in these areas.

Just for information purposes, I was also provided with the number of liquor licences by district. I would like to pass that information on at this time. In South Sound, which is part of the George Town District, there are eight liquor licences. In George Town itself we have 77 liquor licences; in West Bay there are 13; along West Bay Road there are 54 establishments with liquor licences; in North Side there are 10; in East End there are four; there are 12 vessels which have liquor licences; Bodden Town has three; and Breakers has three. There are more than sufficient numbers of establishments with liquor licences at the district level.

The experience in West Bay with those bars that hold liquor licences is that they have become real nuisances. I get calls all hours of the night from mainly the elderly who live nearby these establishments, complaining of loud music and all kinds of disturbances which go on at these establishments. The other thing which concerns me is that these areas have become hang-outs for many of our young men and women. As a result, alcoholism is on the rise in our districts.

The other thing that concerns me is the lack of concern regarding who they sell beer or liquor to. On a number of occasions I have seen young people, I am talking about 11, 12 and 13 year olds in my district, who are staggering all over the place. They got the liquor from somewhere, and it was in the vicinity of where these establishments are located. I believe that the time has come for us to say that we do not want any more liquor licences issued in our districts.

There are also areas where drug trafficking is present. Just their presence devalues the morals of the

district. I believe that as representatives we have to be responsible and take into consideration the needs and concerns of our people, especially the elderly. I believe that they would welcome the moratorium being asked for here on the issuance of any new liquor licences at the district level.

I am also calling for those establishments at the district level who presently have liquor licences to be more diligent and responsible in ensuring that the activity which goes on around their establishments is clean, and that only people of the age of 18 or older are served liquor or beer in those establishments.

As I said, this Government has invested so much money on proper facilities for our youth where they can engage in wholesome activities which would not only benefit them now, but in the future. I believe that we have to control and ensure that the establishments with liquor licences appreciate the fact that it is a privilege, and that they have a certain responsibility they must carry out in keeping with the privilege of having a liquor licence.

If it were left to me there would be no establishments in this country with liquor licences. I am not convinced that a liquor licence is needed to make money at any establishment. At the present time I have four establishments. There is no liquor sold at any of them, and we do very well.

I believe that this is a step in the right direction. I believe that the public welcomes these moves and I recommend and request that all Honourable Members of this House support the provisions of this Motion.

Thank you, Madam Speaker.

The Speaker: The Fourth Elected Member for West Bay.

Mr. D. Dalmain Ebanks: Thank you, Madam Speaker.

As the Seconder of this Motion, I rise to give it my full support. I feel that within our little island we now have too many liquor establishments, let alone grant more licences. I would like to see that moratorium drawn up to where the issuance of liquor licences would be curtailed.

There are problems brewing from these establishments. We are trying to fight drugs on the one hand, and on the other hand we have liquor, which is like another drug. Wherever you find one, you find the other. Problems arise, there are disturbances in the communities, on the streets, you name it. If Government can do anything to curb this, I would like to see it done.

I am sure that the majority of the public will support us with this. Those who do not support us are those who use it and enjoy it. I hope there will be a time when we can curb their taste for it. I have received complaints from various areas of disturbances at night, noise, fighting, cutting-up, you name it. This all goes along with these establishments of liquor.

If there is anything that can be done to curb it, I pray to God that we can get it done. I give this my fullest support.

The Speaker: The Honourable Temporary First Official Member.

Hon. Donovan Ebanks: Thank you, Madam Speaker.

I simply wish to say that the Government is prepared to accept the Motion as it has been presented, and will do its best to pursue what the Motion has asked for within the time available over the next three or four months.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker.

Private Member's Motion No. 6/96, Amendment to the Liquor Licensing Law, was discussed in meetings of the National Team, and I think it was taken to Executive Council as well, hoping that we could make some amendment to the Liquor Licensing Law. I am happy to see that this is being brought here today. We have a lot of churches. In fact, churches seem to be big business more than anything else. I do not want to say that I am against churches, however I think we have more churches than anywhere else in the world!

I am sure that the moratorium on licences issued to establishments in residential communities as asked for in this motion will have to be varied at times. I say that because I sat here thinking about the Queen's Highway. There are beautiful pieces of property being purchased by individuals for residences. If the acreage sold in that same area is purchased for a resort, would it mean that a liquor licence could not be issued to that establishment because it is located in a residential community? I often say that nothing is made in stone and there are exceptions to all rules. I am sure that something like this could be considered and changed.

I have a question regarding the issuing of licences. I am not sure if Liquor Licences are renewed or whether they are issued each year and how it would affect the application for a licence. Perhaps the Mover could address that in his winding up.

As the two previous speakers mentioned, there are a lot of disturbances. Alcoholism is on the rise. I agree with what my very dear friend, the late Mrs. Ena Watler, always maintained - alcoholism is the worst substance abuse in any community. It seems to be on the rise here. I know that it is up to the individual, but if the establishments were not there, it would be hard for them to go out and purchase a drink.

This Motion is asking for a minimum of 1500 feet from a church. I reflect on the churches in town. I am thinking of the new Baptist Church being built in Red Bay, and I am wondering how this will affect applica-

tions for temporary liquor licences at the Lion's Centre. I am not taking up for the Lion's Centre, saying that we should have activities there where alcohol is served. But it does exist. If a church is built in the area after the Lion's Centre, I am wondering how this will be addressed. Perhaps the Mover could mention this in his winding up.

Other than that, I support this Motion and I am pleased to see that it is being brought today.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

The obvious noble intent of this Motion is not one that I wish to disregard or disrespect. Let me first of all say that I think it is obvious that the intention here is to achieve something in the line of being good citizens and such the like. But in the attempt to achieve all of this, I wish to make a few points which I think will have to be addressed and not simply cast by the wayside. As the Government has already stated that they will accept the Motion, I would like to ensure that these other aspects are taken into consideration.

The very last Resolve section says, "BE IT FURTHER RESOLVED that a moratorium be placed on the issue of liquor licences to establishments in residential communities. The Third Elected Member for George Town mentioned an example. I think that careful consideration has to be given in order not to create a situation where the law can be interpreted ambiguously.

I believe that in his opening remarks the Mover intended for the Resolve section to be specific in areas that are densely populated. He quoted his own district. I understand what he is saying with regard to totally residential areas and premises of this nature in the middle of these areas. But there are many locations in the Cayman Islands which, either by way of trend or natural phenomenon, are fast becoming more residential than previously observed. Some of those areas are limited areas where developers (both local and foreign) would be leaning towards certain types of development. If the interpretation of that Resolve section is carried wide enough, it is my belief that certain restrictions will be automatically put on land owners and prospective landowners.

In our process of legislation we have the responsibility to ensure that the rights of owners of property in the country are protected, whoever they are. I am certain that some of them are still locals - even though that is dying fast too it seems. They need to be able to deal with their property as they see fit, within the ambit of the law. I am making the point that I think we have to be very careful in that section. However the wording for any amendment is that it be done in such a way that it is very specific for the intention, rather than left generic to be interpreted in all directions.

There is also the question of the 1500 feet from a church, school or civic centre. Generally speaking, I

believe that making a stipulation like that could probably work, but, again, it comes back to a situation where one has to consider the owners of property throughout these islands. When we speak of churches, schools or civic centres, I think that if we were to put a little dot on the map where all of these premises are located, we would have many dots. I think it is obvious that while there are certain concentrated areas where you might have schools, as on Walker's Road, and other concentrated areas for churches, the truth is that in all of the considerations one should not by way of one action disenfranchise individuals who might have aspirations for certain types of development.

The Mover mentioned that if it were left to him there would be no such premises in the island. Maybe if one wished to really sound pious one would agree. Having said that, I think that we have to accept what the real world is. That part of the debate can go on, and on, and on. But that is not the point I want to make. I think it is important that in all of our well-intended actions we do not try to solve one problem and create another in the process. The point I make is that in Government's accepting the Motion, I think there should be careful consideration given and an examination should be made of existing locations and how the impact will be for a 1500 foot radius of where property is, what type of property it is. I believe that this can have a serious effect on many land owners. I only wish for the Government to be very conscious in their dealings that they continue to be fair.

In the existing Liquor Licensing Law, section 9(1)(e) says: "**A Board shall not grant a licence unless satisfied that the premises in respect of which the application is made will not cause inconvenience to the occupier of neighbouring property.**" Section 9(2) says: "**In considering the suitability of premises for service to the public, the Board shall have regard [not *may* have regard but *shall* have regard] to have representations made by or on behalf of the Commissioner, the Chief Medical Officer, the Chief Fire Officer, the Executive Secretary of the Central Planning Authority, as well as members of the public who may be directly affected by the grant of a licence.**" It goes on to say in section 17(1): "**At any application for the grant of a licence the Commissioner, the Chief Fire Officer, the Chief Medical Officer or any member of the public who has given at least seven days notice of objection in writing to the Chairman, may appear and be heard in objection to the grant of such licence.**"

There are several schools of thought here. I think that a fair interpretation of the intent here in this Law is one where the Law immediately gives the Liquor Licensing Board the latitude for specific consideration when it comes to applications being granted or refused, depending upon reasons for refusal being given by objectors. It does not automatically say that a property owner within a certain location is disenfranchised from being able to do anything which involves a liquor li-

cence. This school of thought is simply saying that the Board will have the latitude to decide whether or not the application should be granted or not. This Motion is going a bit further saying that it cannot happen.

In comparing the two schools, I wish to come back to the point that while one does not wish to say that the Motion should not be looked at or accepted, I sum up by saying that in accepting the Motion I think it is important for the Government to examine all areas to ensure that the same level playing field that all of us preach about in other areas is dealt with in this area.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: I was very impressed with how the Government accepted this Motion, and how it intends to bring about the Resolves it asks for within the next few months. This Motion is asking for a major reversal in the granting of liquor licences in the Cayman Islands. It is seeking to reverse conditions under the Law which were put in place several years ago, perhaps eight years ago or more, as far as restrictions go with regard to the distance between a church and a place that has a liquor licence.

I think the Mover mentioned that the first case which came up showing the impracticality of trying to make moral, or anti-liquor licence, judgments was with the licensing of Villa Caribe in North Side - one of the smaller hotels financed by the CDB. Because of its location to churches in the area it could not get a liquor licence, which is an essential part of the operation of just about all of the hotels in the Cayman Islands. Accommodation, food and beverage go together. I remember that case and it may have been at that point in time that it was changed.

As I recall, there were many people in North Side, including people who considered themselves to be Christians, who did not object to that hotel being so licensed.

Where the magic number of 1500 feet away from a church, as being an acceptable distance for a business having a liquor licence came from, I do not know. Why not 2000, 1,000 or 1,200 feet? I do not know where the distance came from.

I do remember the time of the change when the commercial sector of this country, generally, and persons who wished to get into the business which required a liquor licence (bar, restaurant, or whatever) were quite relieved when that restriction was removed. To re-institute it in the time when this very Motion notes that in the past 12 years the number of establishments which have been granted liquor licences has increased, perhaps does not take into account how much the country has changed since that time to the extent that commercial activity, particularly the hospitality industry, finds the need (from a business perspective) to have a liquor licence.

All of the people in this country do not claim to be church-goers. Certainly, all of the people in the Cayman Islands do not consume alcoholic beverages. The fact is that in any society people are different. They have different habits, different behaviour, and there are certainly people who frown upon alcohol in any form. There are those who choose to partake of some alcoholic beverages. I make the case for neither, as superseding the other.

The point I am making is that there are differences and that in this society there is a difference. I believe that for this society to be properly balanced both conditions must be accommodated. Did Jesus himself not say, "Let the wheat and the tares grow together until the day of harvest"? I would not want to believe that today, in this Legislature, is the day of harvest.

The fact that there are places which sell alcoholic beverages does not make alcoholics. I have never yet heard of a bar going to anyone, nor the spirits packaged in any form going to anyone to imbibe. Alcoholism is a personal, and unfortunate state of being for individuals who become addicted to alcohol like other addicting substances. The fact is that if the country saw 50 more liquor licences granted today it would not mean that more people in the country who do not touch alcoholic beverages would suddenly start to do so. Indeed, if many more establishments should be opened, it would probably reduce the clientele of those now existing and make it hardly worthwhile for them to continue doing business.

This Resolve asks that "...no establishments be allowed to build within 1500 feet of a church", and schools and civic centres have been added to that. What if a church is built less than 1500 feet from a liquor establishment? It certainly has happened by the Lion's Centre. There is a huge church being built right next to the Country and Western Bar, not necessarily the Lion's Centre, because that is really not a liquor licensed facility. What happens in those cases? I think that the Law, as quoted by the Fourth Elected Member for George Town, provides that if there are objections to a liquor licensed premises being established, those persons can object and a licence may not be granted. I have heard of such instances. In fact, I heard about the Abank's Dive Lodge, which would surely be a major tourist attraction seeing that it was on the big screen in a major movie. I understand that the people in the area objected to that being used for the same purpose as shown in the movies. It was not granted.

I know that there have been instances of applications for liquor licences in Cayman Brac where objections have hindered them from being granted. But the Board which has been appointed to deal with these matters has the Law as their guide.

There is the question of there being a moratorium on the issuance of liquor licences to establishments in residential communities. I do not know what is really referred to here as a 'residential community'. What particular restriction is thought of here? The Mover men-

tioned the district of West Bay and certain areas and problems there which he has heard of and seen there. But how many liquor licences are granted in residential communities, in sub-divisions? I have not heard of too many. They tend to be in the commercial areas or the more sparsely populated areas.

There could be exceptions. I can think of Bodden Town, for example, where there are two liquor licences at gas stations located there which are surrounded by homes. They have been long established, thirty-odd years perhaps. They are ongoing establishments. I do not know how many would be granted in similar circumstances at this time.

I see two things happening if a moratorium is placed: It would immediately increase the value of liquor licensed premises because there would be a moratorium on them. On the other hand, if a moratorium was placed on these premises, how would that coincide with the idea of the free enterprise system, whereby if a business meets all of the requirements of the Law it could be granted and whether it succeeded or not would be left to the efforts of the person who owns it?

On the matter of social disturbances and drunkenness on the streets or in the districts, none of us likes to see that. All of us remark about that unfortunate state of affairs. The removal or the reduction of liquor licensed premises does not reduce those persons who would find themselves addicted to alcohol or drunk from its use. Those situations are personal to the people so affected. A change of mind-set is what is required in those cases - finding the cause which has driven the persons to do so and dealing with that. There are those who have been reformed. That came from a change of heart and mind and not the removal or restriction of the premises which supplied the product.

I do not believe that this Motion will hinder or reduce alcoholism. Social problems involved with the use of alcohol, be it accidents, stumbling on the roads, fights or whatever, will continue even if the state of affairs continues as it presently is. Where these occur there is the Law to deal with it with the prescribed punishments.

Perhaps it is true that the Cayman Islands has one of the highest alcohol consumption rates in the world. I think that in large part consumption has something to do with our tourism activities and the number of visitors to our shores. In terms of the population, which is said to be 30,500 people, I do not believe that 50% of that number actually uses alcohol. Perhaps they do, but the other half does not.

I do not see how re-instituting a 1500 foot restriction for distance from a church, school or civic centre, really has anything to do with the behaviour of people who choose to use alcohol, whether it is two miles away or whether they have to walk. A moratorium on the liquor licensed establishments could well hinder the development in some areas of the island and, overall,

would not necessarily serve the best purpose from a people standpoint or a commercial point of view. I believe that in this case we can serve a better purpose so that the 'wheat' and the 'tares' can be allowed to grow together until the 'day of harvest'.

One other point is that a 1500 foot radius involves over 6 million square feet of property. If one sets down such mathematical requirements for the granting of a liquor licence, one could find major amounts of land involved or made unacceptable in terms of meeting a requirement.

I am sure all Members here, to be politically correct, will say that they support this Motion. As I am well known to be of the politically incorrect, I do not give this Motion my support - which has no bearing whatsoever on its passage or its acceptance by Government.

The Speaker: If there is no further debate, I would ask the Mover if he would like to exercise his right of reply.

The Honourable Minister for Tourism and Aviation.

Hon. Thomas C. Jefferson: Thank you, Madam Speaker.

I rise to offer my support to the Private Member's Motion which seeks to put a limitation on liquor-dispensing facilities in the area of churches, civic centres or schools. I believe that it is in keeping with the times, given the amount of construction and business activity going on in this country, thanks to the National Team.

The area of moratorium requires some amount of in-depth consideration. Perhaps if we were talking about retail facilities and we brought it down to the bars within the various districts, many of us would agree that there are (at least appears to be) more than we really need in some districts. But when we start dealing with business we have to take a broader look at it.

For example, suppose a small hotel wishes to establish itself in North Side, East End, Bodden Town, or anywhere in the Frank Sound area. I believe that it would have real difficulty catering to its guests without a liquor licence; so much so that it may not be viable without it. I am not pushing the sale of liquor, I am basically stating a business fact of life. I believe that when the Government accepts this Motion it is in this area of moratorium that we will have to look very closely at in order not to stifle development, particularly in the eastern districts which we as a Government are certainly trying to achieve.

Many of us go to church on a weekly basis and know that some of the surrounding areas of the church see on some occasion the lack of discipline and lack of respect in some cases for those who are attending church. Noise is not a problem to them, however it can be very disruptive to the congregation of a church.

I am in support of the Private Member's Motion, I believe that when it comes to implementation it is likely to require that those businesses already within the

1500 feet will have to be grandfathered in. I do not see it operating any other way. It is not the intention of the Mover or the Secunder of the Motion to take away their licences. It is the intention to say from the day that the amendment is put into place that any future construction of housing for a bar should be outside the 1500 feet from a church or a civic centre or school. I believe that is right.

I also believe that those already there will have to be allowed to continue. When that business comes to an end, so too will the licence. Over a period of time some of those that are close to a church at the moment may disappear. I think that is a fair way of dealing with the implementation of this Private Member's Motion. I look forward to the Government's taking this on board and dealing with the amending legislation.

The Speaker: Would the Mover now exercise his right of reply to the Motion?

Mr. John D. Jefferson, Jr: Thank you, Madam Speaker.

Let me say thank you to the Government and those Honourable Members who spoke on this Motion, those who supported it and those who did not. Let me start by saying that the intention of this Motion is not to affect any licences already in existence. I think it is understood that those premises presently licensed will have to be considered granted new licences when they expire. It will only affect new licences that are applied for in these respective residential areas.

I appreciate the comments from the Honourable Minister for Tourism. The intention is that it will affect the retail establishments that apply for licences within a residential area. These are the establishments that we have had problems with in the past and at present. Back in 1984, and this is strictly for information purposes, when the Government of that day left office, we had a total of 94 liquor licences in this country broken down as follows: Retail - 49; Package outlets - 70; Hotels - 16; Distributors - 12; there were no beer and wine licences and we had no restaurants that owned a licence.

In 1996 we have 79 licensed retail outlets; 34 package outlets; 23 Hotels; 14 distributors; 7 establishments with beer and wine licences, and 34 restaurants holding liquor licences, for a total of 191 establishments with liquor licences in this country. We cannot say that we do not have enough establishments.

With respect to the comment by the Fourth Elected Member for George Town, which basically said that we have to ensure that the rights of property owners are protected. At the present time we have restrictions in place as to what you can do with your property. For example, in residential areas and sub-divisions there are restrictions as to garages and that type of thing. There are even restrictions as to the type of roofing that you can put on your home. So this is no new policy as far as restrictions is concerned.

I believe that there have to be certain rules established by Government as a guide for its citizens. Can you imagine the situation you would have in this country if you allowed every property owner to do what he felt like doing with his property just because he owned it?

The Second Elected Member for Cayman Brac and Little Cayman obviously does not support this Motion. He would have surprised me if he had, being Her Majesty's official Opposition in the House. He commented on allowing the 'wheat' and the 'tares' to grow together, referring to judgment day when it will be all sorted out. I have visited countries where that feeling prevails, and I am telling you that I, for one, do not appreciate living in that type of an environment. I believe that there are certain rules and principles that we need to hold on to. Despite the fact that it is a tourist destination, this country was formed on very strong principles. We must continue to ensure that those principles exist.

It was interesting to be made aware of the fact that the one district that does not have any liquor licensed establishments is the district of Savannah. I was unaware of that. I have been asked by the lady Member from that area to mention that if there is an application for an establishment for a liquor licence in that area she will be taking her stand against it. I am sure that her colleague, the Honourable Minister for Health, who is also a resident in that area will take the same stand.

I think that Savannah is the one district that always has an annual function that is strictly totally alcohol free. They do very well, indeed, financially and otherwise.

The Second Elected Member for Cayman Brac and Little Cayman also mentioned about the free enterprise system. There is no one else in this House more broad minded or more competitive than I, but there are limits to what you can allow in this country. We have to draw the line somewhere. According to him, whether or not we place a restriction on new establishments is not going to really affect what goes on at the district level with regard to human behaviour and otherwise. But I was always taught that it is better for us not to put the temptation there, or to make it too easy for someone to have it, especially our young people.

We try to ensure that we provide a healthy, wholesome environment that they can grow up in. Presently, many of our residential communities cannot boast of that type of environment.

Shortly after I was married, my father-in-law and brother-in-law (and I did not own my own home) offered to allow us to stay in their home in the Birch Tree Hill area. Unfortunately that is located right next door to a bar. I refused to live in that area and raise my family in that type of environment. I believe that many other Caymanians and decent citizens feel the same way that I do.

It has also been brought to my attention that there are many unlicensed premises that sell liquor at the district level. They are referred to as "speakeasies". They have no hours. They sell at all hours of the day and night. They do not have a licence so they pay no fees to Government. They compete with the licensed establishments in those areas. They are also a source of noise and disturbances. Persons can go and get what they want, sit in the street and drink and make nuisances of themselves. I believe that those establishments with licences have to feel privileged to hold that licence. They must be responsible.

I am calling on the police of this country to monitor what goes on at the district level to ensure that these premises are complying with the requirements as far as age limits of persons to whom they are selling beer or liquor to; also that they are operating within their prescribed hours and to ensure that music (if there is music allowed to be played) is kept at an acceptable level so as to not disturb the neighbours around them. This has been a cause for much complaint, especially in my district. I cannot speak for the other districts. We must ensure that these establishments are controlled and monitored.

The other thing that the police have to be aware of and continue to monitor very closely is what we refer to as "sessions". Just the other morning, probably around two or three o'clock in the morning (which is beyond the licensed hour for any establishment), I had a constituent call to tell me to open my window and listen to what is going on. I have nothing against music, but I believe that if you are going to play music for your entertainment it should be just that; it does not have to be for the district as a whole. We need to ensure that if we have laws in place - and we do! - that they are enforced. So I look forward to these amendments being put in place. I believe this is an area of concern to the decent citizens of this country.

Thank you, Madam Speaker.

The Speaker: I shall now put the question on Private Member's Motion No. 6/96 - Amendment to the Liquor Licensing Law. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The motion has accordingly been passed.

AGREED. PRIVATE MEMBER'S MOTION NO. 6/96 PASSED.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.41 AM

PROCEEDINGS RESUMED AT 12.39 PM

The Speaker: Please be seated.

Private Member's Motion No. 7/96 - Amendments to the Traffic Law, 1991. The Third Elected Member for West Bay.

PRIVATE MEMBER'S MOTION NO. 7/96

AMENDMENTS TO THE TRAFFIC LAW, 1991

(Withdrawn)

Mr. John D. Jefferson, Jr: Thank you, Madam Speaker.

I beg leave of the Chair to withdraw Private Member's Motion No. 7/96, entitled Amendments to the Traffic Law, 1991. Just recently the Honourable Minister for Tourism, Aviation and Commerce, on behalf of Government, commissioned a review of all aspects of the Transportation Industry. I have met with him and the gentleman who has been commissioned and they assured me that come September the concerns that I have will be addressed and brought to the Legislative Assembly for approval in that sitting. In light of that, I am begging permission from the Chair to withdraw this motion.

The Speaker: The Fourth Elected Member for West Bay.

Mr. D. Dalmain Ebanks: Madam Speaker, I beg to second the motion.

The Speaker: The question, under Standing Order 24(14), is that Private Member's Motion No. 7/96 be withdrawn.

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

AYES.

The Speaker: The Ayes have it. The motion is accordingly withdrawn.

AGREED. PRIVATE MEMBER'S MOTION NO. 7/96 WITHDRAWN.

The Speaker: The next item is Private Member's Motion No. 5/96 - Limitation on Political Contributions and Political Campaign Spending (Amendment to the Elections Law).

The Second Elected Member for Cayman Brac and Little Cayman.

PRIVATE MEMBER'S MOTION NO. 5/96

LIMITATION ON POLITICAL CONTRIBUTIONS AND POLITICAL CAMPAIGN SPENDING (AMENDMENT TO THE ELECTIONS LAW)

(Withdrawn)

Mr. Gilbert A. McLean: Madam Speaker, due to the fact that a Bill has been brought to the House which largely

encompasses the resolve section of Private Member's Motion No. 5/96, I seek permission of the House to withdraw this motion.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

I humbly beg to second the motion to withdraw Private Member's Motion No. 5/96.

The Speaker: The question is, that Private Member's motion No. 5/96 be withdrawn in accordance with Standing Order 24(14).

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

AYES.

The Speaker: The Ayes have it. Private Member's Motion No. 5/96 is accordingly withdrawn.

AGREED. PRIVATE MEMBER'S MOTION NO. 5/96 WITHDRAWN.

The Speaker: Private Member's Motion No. 8/96 - Amendment to Standing Orders of the Legislative Assembly to provide for a Select Committee on the Register of Interests.

The Elected Member for North Side.

PRIVATE MEMBER'S MOTION NO. 8/96

AMENDMENT TO STANDING ORDERS OF THE LEGISLATIVE ASSEMBLY TO PROVIDE FOR A SELECT COMMITTEE ON THE REGISTER OF INTERESTS

Mrs. Edna M. Moyle: Madam Speaker, I beg to move Private Member's Motion No. 8/96 - Amendment to the Standing Orders of the Legislative Assembly to provide for a Standing Select Committee on the Register of Interests.

The Speaker: The Third Elected Member for Bodden Town.

Miss Heather D. Bodden: I rise to second the Motion.

The Speaker: The question is that Private Member's Motion No. 8/96 be passed.

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

AYES.

The Speaker: The Ayes have it. The proposed amendment to the Standing Orders has accordingly been referred to a Standing Select Committee to be dealt with.

AGREED. PRIVATE MEMBER'S MOTION NO. 8/96 REFERRED TO THE STANDING ORDERS COMMITTEE.

The Speaker: Government Business. Second Reading - Continuation of the debate on the Register of Interests Bill, 1996.

The Honourable Minister for Tourism, Aviation and Commerce. It is really a good way to get people going, I put the question you see.

GOVERNMENT BUSINESS

SECOND READINGS

REGISTER OF INTERESTS BILL, 1996

(Continuation of the debate thereon)

Hon. Thomas C. Jefferson: Madam Speaker, I congratulate you on your strategy.

I rise to make some brief comments on the Register of Interests Bill. I realise that much work has gone on in Committee to produce such a Bill. It is certainly timely to congratulate the chairperson of that Committee, the lady Member of North Side. I believe it is timely to have a register for public display which captures the interests that Members of the Legislative Assembly have, directorships, shareholdings among other things mentioned in the schedule attached to the Bill. I believe that as leaders of the country we should set the example and not wait for allegations to be floating around the islands which some mischievous people continue to do. So I welcome the opportunity to support this Register of Interests Bill and I have no hesitation in dealing with it on a personal basis because at the end of the day it will remove, to some extent, some of the unworthy allegations that are made about Members of the Legislative Assembly without any factual information whatsoever.

It appears sometimes that the only way some people know how to deal with a politician when they do not know something and there are no facts on which one can base their argument, is to start rumours and make all sorts of allegations. I believe this Bill before the House seeks to correct that. It seeks also to put Members of the Legislative Assembly in the public forum disclosing their interests, so that when matters come to the House they do not find themselves in conflict, but rather can divorce themselves from speaking to the matter if it affects their interests. I believe the public is entitled to that kind of participation by Members of this Honourable House.

I support the Bill, Madam Speaker.

The Speaker: The Elected Member for North Side.

Mrs. Edna M. Moyle: Thank you, Madam Speaker.

As the chairman of this Committee since 1994, my contribution to the debate on this Bill will be extremely short. I have spent numerous hours dealing with the Bill. But there is one point that I would ask the Minister moving this Bill to look at very carefully. That is the

matter of journalists being included under the Bill. I read the Editorial in the *Caymanian Compass* this morning, and I went back to that section of the Constitution that was referred to and read it as a lay person. Under that section I do not believe we can include journalists. I would ask the Honourable Minister to take legal advice from the Attorney-General as to whether this can be done or whether at Committee stage we have to move some amendment. That is my only concern. I have spoken to legal persons on this matter and they agreed. So I would ask the Minister to look at this issue carefully at Committee stage. Thank you.

The Speaker: If there is no further debate, would the Honourable Minister exercise his right to reply? The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: Madam Speaker, before I begin with the Bill, I sent a note around to Members which will come to you asking that if there is no prolonged debate we could continue through the Committee stage of the Bills and finalise the business to end this meeting. If that is in agreement with all Members of the House. The note should be coming to you as well, if that is all right with you, Madam Speaker.

The Speaker: Fine.

Hon. W. McKeever Bush: Madam Speaker, I have listened to the various Members who spoke, and I certainly thank them for their contribution. I want to remind all Members that this is not an ExCo Bill, as such. This is a Bill which emanated from a Committee of the whole House and all Members have agreed to it. Nobody submitted any minority report. Not to say that there cannot be questions or afterthoughts, because that is what we are all here for.

The Second Elected Member for Cayman Brac and Little Cayman seems to be second-guessing the work of the Committee. After two years of committee work he now seriously wonders whether we can include candidates. He went on to say that candidates might even challenge the provision. As I said, candidates and journalists were included by the Committee. If candidates or any candidate for the general election feels so inclined, let them go ahead and try.

Madam Speaker, all of us are aware that section 29 of the 1972 Constitution (the one in place now) says: "Subject to the provisions of this Constitution, the Governor, with the advice and consent of the Assembly, may make laws for the peace, order and good government of the Islands". So this legislature can make any law as long as the Constitution does not say that we cannot.

The 1993 amendment to the Constitution obliges the Legislative Assembly to enact legislation that gives effect to section 53A. This Bill does that. However, the Legislative Assembly in Committee decided to go fur-

ther and include candidates and journalists. My advice is that we are perfectly within the law in doing so. The Constitution that we must make for Members. It does not say that we cannot make for anybody else. So it sets the minimum as to what must be done. It did not say for journalists do not do so, or for candidates do not do so.

On the point of journalists, this could have been dealt with under Standing Orders, I believe. But the Committee decided otherwise. All I can say is that the form that the journalist will use is a very simple one and is not as detailed as the form used by Members. I really do not see at this point any need to worry whether this Legislature is *ultra vires* the Constitution. The Constitution says that we must at the minimum provide a Register of Interests for the Members of the House. We go further to include others. To make it absolutely clear and out of an abundance of caution, we are prepared to add to the title of the Bill, the words "and for all purposes incidental thereto, and connected therewith". So the title of the Bill will read: A Bill for a Law to give effect to section 53A of the Constitution of the Cayman Islands and for all Purposes Incidental Thereto and Connected Therewith.

This is an important piece of legislation in our day and age when there is so much envy, jealousy and accusation. There are those who do not want their fellow Caymanian to get anywhere it seems; we have reached the stage where we are not ready to congratulate or elevate. It just seems that some people want the worst to happen to their fellowmen, when we consider the amount of lies and gossip spread regarding legislators. No law is perfect, and it certainly cannot make anyone honest. But I welcome it because it will say to the whole world, this is what we own; this is what we have; this is where it comes from and it will give everyone a chance to check it. There will be those who will continue to spread their venom.

I will close by saying what my grandmother said: "You can lock up from a thief, but you cannot lock up from a liar." This Bill can go some distance in alleviating the kinds of doubt and the gossip that is spread in the country. Thank you very much, Madam Speaker.

The Speaker: The question is that a Bill entitled the Register of Interests Bill, 1996, be given a Second Reading.

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

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given a Second Reading.

AGREED. THE REGISTER OF INTERESTS BILL, 1996, GIVEN A SECOND READING.

The Speaker: It has been agreed by the majority that we should continue and conclude proceedings of the House at this time. The House will now go into Committee to consider three Bills.

COMMITTEE ON BILLS

(1.04 PM)

The Chairman: The House is in Committee to consider three Bills. The first is the Legislative Assembly (Immunities, Powers and Privileges) (Amendment) (Precincts of the Assembly) Bill, 1996.

The Clerk will read the clauses.

LEGISLATIVE ASSEMBLY (IMMUNITIES, POWERS AND PRIVILEGES) (AMENDMENT) (PRECINCTS OF THE ASSEMBLY) BILL, 1996

Clerk: Clause 1 - Short title.
Clause 2 - Amendment to definitions.

The Chairman: The question is that clauses 1 and 2 do stand part of the Bill. The Motion is open for debate.

If there is no debate I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED. CLAUSES 1 AND 2 PASSED.

Clerk: A Bill for a Law to Amend the Legislative Assembly (Immunities, Powers and Privileges) Law, (1996 Revision).

The Chairman: The question is that the title do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED. TITLE PASSED.

ELECTIONS (AMENDMENT) (ELECTION EXPENSES) BILL, 1996

Clerk: Clause 1 Short title.
Clause 2 Added provisions.

The Chairman: The question is that clauses 1 and 2 do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED. CLAUSES 1 AND 2 PASSED.

Clerk: A Bill for a Law to Amend the Elections Law (1995 Revision).

The Chairman: The question is that the title do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED. TITLE PASSED.

THE REGISTER OF INTEREST BILL, 1996

The Chairman: The next Bill is a Bill for a Law to Give Effect to Section 53A of the Constitution of the Cayman Islands.

Clerk:

- ◇ Clause 1 Short title and commencement.
- ◇ Clause 2 Interpretation.
- ◇ Clause 3 Register of Interests.
- ◇ Clause 4 Declaration of interest.
- ◇ Clause 5 Duties of the Registrar.
- ◇ Clause 6 Information.
- ◇ Clause 7 Registrar's report.
- ◇ Clause 8 Report submitted to Assembly.
- ◇ Clause 9 Complaints of members.
- ◇ Clause 10 Complaints by the public.
- ◇ Clause 11 Contempt of the Legislative Assembly.
- ◇ Clause 12 Computer records.
- ◇ Clause 13 Amendments to forms.

The Chairman: The question is that clause 1 through 13 do stand part of the Bill. The motion is open for debate.

The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Madam Chairman, I wish to raise a question which I did raise during the debate yesterday as to whether candidates in an election can be included in the Schedule as has been set out in the Bill. I have heard what the Minister moving it has said, and I have seen what he proposes to do. I would assume that he has taken legal advice on it. However, I continue to question whether even adding the additional words to the title of the Bill is possible. I believe it is *ultra vires* the Constitution since holders of office could not include (in my opinion) the candidates in an election.

The Chairman: The Honourable Minister.

Hon. W. McKeeva Bush: In the Committee's work over the two years we had Legislative Counsel. The last Legislative Counsellor was the gentleman who drafted the last set of amendments to the Bill. When I say amendments, I mean amendments in committee on the Bill. He was the person I relied on this morning (along with the Attorney-General) to give advice on this matter. They confirmed what I believe about the legislation; certainly, we were all in favour during the Committee and no one thought otherwise. These two inclusions are not particularly mine, but everyone supported them. The Legislative Counsel and the Attorney-General confirmed my belief that we are not *ultra vires* the Constitution. As I have said, the Constitution makes the minimum and the legislature can pass any law that we wish once we get full assent.

The only way that this cannot be done is if Members here today vote against these two amendments. The Legislative Counsel and the Attorney-General have said that this is correct. And out of an abundance of caution they have said to include in the title the words "and for all purposes incidental thereto and connected therewith. I appreciate their allowing this amendment to the title.

The Chairman: I do not know if I have said that I would allow it. We have not reached that stage as yet Honourable Minister.

If there are no amendments to the proposed clauses 1 through 13, I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED. CLAUSES 1 THROUGH 13 PASSED.

Clerk:

- ◇ Schedule 1 Offices and occupation to holders of which are required to register interests.
- ◇ Schedule 2 Registration form for declaration of interests.
- ◇ Schedule 3 Registration form for declaration of Journalists' interests.

The Chairman: The question is that Schedule 1, 2 and 3 do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED. SCHEDULE 1, 2 AND 3 PASSED.

Clerk: A Bill for a Law to Give Effect to Section 53A of the Constitution of the Cayman Islands.

The Chairman: The question is that the title do stand part of the Bill.

I now give permission for the amendment to be made without due notice.

Hon. W. McKeeva Bush: Thank you very much, Madam Chairman.

In accordance with the provisions of Standing Order 52, I beg to amend the title of the Bill, and that the title of the Bill, A Bill for a Law to Give Effect to section 53A of the Constitution of the Cayman Islands, be amended by adding the words "and for all purposes incidental thereto and connected therewith" at the end thereof.

The Chairman: The question is that the title be amended as set out by the Honourable Minister. I believe all Members have been supplied with a copy. The motion is open for debate.

The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: I am wondering if the Honourable Attorney-General was in the Chamber that he may give a full explanation of his reasoning behind this addition to cover the question that was raised. I read the words, but I must be perfectly honest I do not fully understand the connection and how they cover the question that arose.

The Chairman: Honourable Minister, I think the Honourable Attorney-General is...

Hon. W. McKeeva Bush: I do not know where the Second Official Member is. Perhaps the Serjeant-at-Arms could check the Common Room.

I did say to the Committee what was said to me, it was being done out of an abundance of caution. But as far as they are concerned, the Committee wants candidates and journalists to be included. We are committed to make any law that we want.

The Chairman: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: I do not think the question is whether we want candidates or journalists to be included. We simply need to ensure that the inclusion falls in line with what is correct regarding the Constitution.

The Chairman: I understand that the Honourable Second Official Member is no longer in the Chamber. Honourable Minister.

Hon. W. McKeeva Bush: Madam Chairman, I see his briefcase. He might have left before the decision to

carry on. I can only say that I told Members in the Second Reading debate and explained to them just a minute ago what the position is.

The Chairman: I shall put the question at this time, that the title as amended do stand part of the Bill. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED. TITLE AS AMENDED PASSED.

The Chairman: That concludes proceedings in Committee on Bills. The question is that the Committee do report to the House. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED. THAT THE BILLS BE REPORTED TO THE HOUSE.

HOUSE RESUMED AT 1.17 PM

REPORT ON BILLS

The Speaker: Please be seated.

The House has resumed. Reports on Bills. The Honourable Temporary First Official Member.

THE LEGISLATIVE ASSEMBLY (IMMUNITIES, POWERS, AND PRIVILEGES) (AMENDMENT) (PRE-CINCTS OF THE ASSEMBLY) BILL, 1996

Hon. Donovan Ebanks : Madam speaker, I beg to report that a Bill entitled the Legislative Assembly (Immunities, Powers, and Privileges) (Amendment) (Precincts of the Assembly) Bill, 1996, has been considered by a Committee of the whole and passed without amendment.

The Speaker: The Bill is accordingly set down for Third Reading.

The Honourable Temporary First Official Member.

ELECTION (AMENDMENT) (ELECTION EXPENSES) BILL, 1996

Hon. Donovan Ebanks : Madam Speaker, I beg to report that a Bill entitled the Election (Amendment) (Election Expenses) Bill, 1996, was considered by a Committee of the whole House and passed without amendment.

The Speaker: The Bill is accordingly set down for Third Reading.

Honourable Minister for Community Development.

REGISTER OF INTERESTS BILL, 1996

Hon. W. McKeeva Bush: Madam Speaker, I have to report that a Bill entitled the Register of Interests Bill, 1996, was considered by a Committee of the whole House and passed with one amendment.

The Speaker: The Bill is accordingly set down for Third Reading.

The Speaker: Third Readings.

THIRD READINGS

LEGISLATIVE ASSEMBLY (IMMUNITIES, POWERS AND PRIVILEGES) (AMENDMENT) (PRECINCTS OF THE ASSEMBLY BILL, 1996

Clerk: The Legislative Assembly (Immunities, Powers and Privileges) (Amendment) (Precincts of the Assembly Bill, 1996.

The Speaker: The Honourable Temporary First Official Member.

Hon. Donovan Ebanks : Madam Speaker, I beg to move the Third Reading of a Bill entitled the Legislative Assembly (Immunities, Powers and Privileges) (Amendment) (Precincts of the Assembly Bill, 1996.

The Speaker: The question is that a Bill entitled Legislative Assembly (Immunities, Powers and Privileges) (Amendment) (Precincts of the Assembly Bill, 1996 be given a Third Reading and passed.

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

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given a Third Reading and passed.

AGREED. THE LEGISLATIVE ASSEMBLY (IMMUNITIES, POWERS AND PRIVILEGES) (AMENDMENT) (PRECINCTS OF THE ASSEMBLY BILL, 1996, GIVEN A THIRD READING AND PASSED.

The Speaker: Honourable Temporary First Official Member.

ELECTIONS (AMENDMENT) (ELECTION EXPENSES) BILL, 1996

Hon. Donovan Ebanks : Madam Speaker, I beg to move the Third Reading of a Bill entitled the Elections (Amendment) (Election Expenses) Bill, 1996.

The Speaker: The question is that a Bill entitled the Elections (Amendment) (Election Expenses) Bill, 1996, be given a Third Reading and passed.

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

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given a Third Reading and passed.

AGREED. THE ELECTIONS (AMENDMENT) (ELECTION EXPENSES) BILL, 1996 GIVEN A THIRD READING AND PASSED.

The Speaker: The Honourable Minister for Community Development.

REGISTER OF INTERESTS BILL, 1996

Hon. W. McKeeva Bush: Madam Speaker, I beg that a Bill entitled the Register of Interests Bill, 1996, be given and Third Reading and passed.

The Speaker: The question is that a Bill entitled Register of Interests Bill, 1996, be given a Third Reading and passed.

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

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given a Third Reading and passed.

AGREED. THE REGISTER OF INTERESTS BILL, 1996 GIVEN A THIRD READING AND PASSED.

The Speaker: I will suspend proceedings for one minute. Honourable Minister.

Hon. W. McKeeva Bush: Are you going to suspend proceedings, Madam Speaker?

The Speaker: Would that be sufficient time?

Hon. W. McKeeva Bush: Yes, and I will take the statement afterwards, Madam Speaker.

PROCEEDINGS SUSPENDED AT 1.22 PM

PROCEEDINGS RESUMED AT 1.24 PM

[Hon. Edna M. Moyle, JP, Deputy Speaker in the Chair]

The Deputy Speaker: Please be seated.

The Honourable Minister for Sports, Women's and Youth Affairs and Culture

STATEMENTS BY HONOURABLE MINISTERS/MEMBERS

NATIONAL HERO AWARD NOMINATION

*(The Honourable Mrs. Sybil Lone McLaughlin, MBE, JP,
Speaker of the Legislative Assembly)*

Hon. W. McKeeva Bush: Thank you, Madam Speaker.

Any vibrant culture, in whatever country it exists, rests upon a collection of actions, beliefs, traditions and mores that are indigenous to that culture; therefore, sustaining the people of that culture as they go about the struggles of living. Indeed, in the more dynamic cultures this collage does substantially more than sustain - it stimulates, it energises and propels the people forward. Such a collection, as even a cursory examination will show, has many aspects, many shades, many concentrations and many forms. But one ingredient common to them all is the veneration from within that culture of its singular citizens, its prime achievers who are held up as a source of pride and confidence.

Go to London, New York, Paris, Kingston or Port-of-Spain and once you get over the novelty of being in that city notice how much mention there is of outstanding persons who have gone before. Sometimes it is a statue standing against the sky, sometimes a memorial bathed in light, sometimes a plaque on a wall or a name on a building, but the remembrance of those who have gone before is there in abundance.

Why are they there? Certainly to give homage to those outstanding people, but I believe, more importantly, to let the people of that nation know that they have substance behind them; that before they came there was high achievement, there were champions. They were the selfless, the worthy, the brave who would make them aware that they came from something valuable, therefore, they too are valuable. Out of this, and most important of all is the confidence to compete, the will to persevere, the courage to stand up, the will to break new ground and the strength to get up after a fall.

This process is a dynamic chain going back into the past. The links are powerful beyond imagination. We believe that the mettle of any people today rests for the most part in the knowledge of the successes of their ancestors. Even among the societies where there are no artefacts by which to pass on the knowledge, it is passed on through oral tradition. Those people know, and from knowing grows the confidence.

So, too, we in Cayman, in this young society where things sometimes happen so fast that they have outstripped us, need to give our people assurance in the face of all of the pressures confronting our small nation. One of the most dynamic ways to do this is to

begin a formal organised process of telling our people about the selfless, the worthy and the brave who have gone before, and who live amongst us. We must hold up these individuals for all of our people to see so that they too can be motivated; so that they too can become worthy and resolute.

In times past these beacons of inspiration were valuable enough. But they take on even more importance in this age of information when our young people, even before they can read, are inundated with models and images that can be negative, even destructive. We must hold up Caymanian heroes for Caymanians to see. That is why the Members of Executive Council have recommended to His Excellency the Governor that the Honourable Sybil Lone McLaughlin, MBE, JP, be declared the second Cayman Islands National Hero as provided for in the Cayman Islands National Heroes Law, 1993.

Mrs. McLaughlin, a retired civil servant, and our Speaker, has left her mark on the Civil Service. She began her career in an era when women were few and far between in the Civil Service and struggled against many odds to remain there. No single person has contributed to the development of the prevailing system of Government in the Cayman Islands as has Mrs. McLaughlin. Because of the foundation she has laid during her years as Clerk of the Legislative Assembly, and the knowledge she possesses of Parliamentary Procedure, it naturally followed that she should be the Islands first Speaker of this Honourable House.

Even now, during her lifetime, Sybil Lone McLaughlin is a household name in these islands. Mrs. McLaughlin is a dynamic woman who has balanced her dual role as mother and career woman effectively. In addition, she is a very spiritual person who was commissioned as lay pastor of the United Church this year. Mrs. McLaughlin continues to be a source of inspiration and an exemplary role model to the young people of these Islands. She has been influential in the sustainable development of the lives of women, especially elderly women, and continues to have grace for her fellowman, as well as helping them in their spiritual development.

She is always sought after to perform many noble tasks for all segments of the population. Many feel that the Honourable Sybil Lone McLaughlin should be recognised for her efforts on behalf of the Caymanian people and for her contribution to the development of the Cayman Islands. To edify a living legend as Mrs. Sybil would give the people of these Islands a basis after which they could pattern their lives. They would have a greater sense of history and culture as they interact, drawing from her values, principles, historical knowledge and grace.

Although it is true that we have enjoyed many successes, and although we boast of a high standard of living, it is also true that our people, particularly our young people, are faced with pressures that their forefathers never knew with conflicting ideals, dangerously

negative influences. To help all of our young people we must go further. Not only must we proclaim the values of those who have gone before, we must hold up for praise the living heroes among us, the ones who are with us now, showing their excellence, showing their determination, showing their character; showing that not only could it be done then, but it is also being done now. We must turn the spotlight on these people for their achievements, but more to serve as a beacon for others to help build that same enviable excellence, that same determination and character in the ones coming down the road leading to tomorrow's Cayman.

In our case we must do it by highlighting our heroes past, as well as present. We are in dire need of those pillars, those individuals who have gone before, as well as those who are living evidence of our worth as a people. We must turn the light on them and hold it there so that every youngster born in this country can begin to hear that inner voice say: 'Here within this country, this small speck, there are people of heroic stature and I am a part of that.' It is therefore timely to recognise someone as exemplary as the Honourable Sybil Lone McLaughlin as our first living National Hero with whom everyone in these islands can identify and be justly proud.

Madam Speaker, the Ministry will also nominate and recommend and pay homage to outstanding Caymanians who have contributed in all walks of life and at all economic levels to make this country the joy and pride which we all live in and are justly proud. The names of people from all the districts in this country will be placed on tablets or plaques on public buildings, for instance the Legislative Assembly. These persons will be called "Distinguished Caymanians".

Thank you, Madam Speaker, and the House for your indulgence.

The Deputy Speaker: Proceedings will be suspended for one minute.

PROCEEDINGS SUSPENDED AT 1.35 PM

PROCEEDINGS RESUMED AT 1.37 PM

[Hon. Speaker in the Chair]

The Speaker: Please be seated.

Honourable Members, I am indeed surprised to have had bestowed upon me such a national honour. One thing I can say is that I am a live hero! Thank God for that. I want to say that if I have contributed in any small way through my activities throughout my life it has been because of my deep love for these islands and all Caymanians.

Whatever I have done, has been done without thought of reward, and really all for the betterment that can accrue from the activities from the people I have come across, particularly young people. Having had two sons and realising the importance of happy family

life centred in the church, I have always thought that I could not do enough for them and all of the young people that I have been involved with in my life.

As regards my profession, I have thoroughly enjoyed these years, particularly these last years as Speaker, another position to which I had not aspired. I can always remember my late husband saying, "Why don't you take your pillow and blanket and stay at the office?" He always supported me in my professional, church and social activities.

I can only say that this high honour that has been bestowed upon me is also a high honour for all Caymanians. I should also say particularly Caymanian women. I humbly accept.

I just want to thank the Honourable Ministers and Members of Executive Council for their thought and for all Members of the Assembly for their support. Thank you very much.

I shall now ask for a motion for the adjournment of the House until the 4th September, 1996.

ADJOURNMENT

Hon. Thomas C. Jefferson: Madam Speaker, in the last day or so there have been some consultation with Members with a view to moving forward the commencement date of the Legislative Assembly. I ask Members to forgive me if I have not been able to contact everyone. I think the majority of the persons I have made contact with, and I would say that is probably 12, have no problem with moving it forward. I therefore move the adjournment until the 4th of September, 1996.

The Speaker: The question is that the House do now adjourn until the 4th of September, 1996, at 10 o'clock AM.

Before I put the question I would like to extend, on your behalf, thanks to the Clerk, who is away at this time, and to the Deputy Clerk and the Clerk Assistant for their help. This has been a busy time with all of the Select Committee meetings, reports and minutes, et-cetera. They have all worked very hard, and willingly so.

I wish to also thank the Serjeant-at-Arms for his support. I must also add the security personnel which we have had to engage. They have been very hard-working, always prompt and assiduous in their duties.

Of course, when it comes to the culinary part, we must thank Anita. She has done a sterling job. I can only say that she has been well trained by Miss Mary. Thank you all very much.

I shall put the question that the House do now adjourn until the 4th of September, 1996, at 10 o'clock in the morning. Those in favour please say Aye... Those against No.

AYES.

The Speaker: The Ayes have it.

At 1:42 pm the House stood adjourned until 10:00 am Wednesday, 4 September 1996.

**EDITED
WEDNESDAY
4TH SEPTEMBER, 1996
10.08 AM**

The Speaker: I will ask the Third Elected Member for George Town to say prayers.

PRAYERS

Mrs. Berna L. Thompson Murphy: Let us Pray.

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

Bless our Sovereign Lady Queen Elizabeth II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated.

Order. The Legislative Assembly is in Session.

Administration of Oaths or Affirmations. The Oath of Affirmation to Mr. Ivor Archie, Solicitor General, to be the Honourable Temporary Second Official Member. Mr. Archie, would you come forward to the Clerk's Table?

ADMINISTRATION OF OATHS OR AFFIRMATIONS

(Oath of Affirmation Administered by the Clerk)

Mr. Ivor Archie, Solicitor General

Hon. Ivor Archie: I, Ivor Archie, do solemnly and sincerely affirm and declare that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, her heirs and successors according to law.

The Speaker: Please take your seat as the Honourable Temporary Second Official Member. On behalf of the Mem-

bers of the Honourable House, I welcome you during your period of service.

Questions to Honourable Members/Ministers. The first question is No. 119, standing in the name of the Third Elected Member for George Town.

QUESTIONS TO HONOURABLE MEMBERS/MINISTERS

QUESTION NO. 119

No. 119: Mrs. Berna L. Thompson Murphy asked the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation what the total estimated cost was to construct the Doctor Hortor Memorial Hospital and to upgrade the existing out-patient facility.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony Eden: The total estimated cost to construct the in-patient facility known as the Doctor Hortor Memorial Hospital was \$17,245,693. According to a June 1992 document entitled Master Facilities Development Plan - Complementary Report for George Town Hospital, the estimated cost of upgrading the existing hospital was \$10,631,000. This means that the total estimated cost of constructing the Doctor Hortor Hospital and upgrading the existing one was \$27,876,693.

SUPPLEMENTARIES

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Could the Honourable Minister state if the road leading to the proposed Dr. Hortor Hospital was included in this \$17 million?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony Eden: Not to the best of my knowledge. This was just for the construction of the facility.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Would the Honourable Minister tell us whether the estimated cost included the preparation of the construction site, the landfill, project management fees, architect fees, mobilisation fees, etc.?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony Eden: I am not sure about the mobilisation fee, but the other fees were included.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: In his answer the Minister stated that the Dr. Hortor Memorial Hospital was to be built for \$17,244,693. There was a signed contract with a contractor. Can the Minister state what the amount of that contract was?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony Eden: I do not have that figure with me, but I will undertake to provide it for the Member.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Could the Minister state if that figure was \$11.7 million?

The Speaker: The Honourable Minister said that he does not have the figure with him. Are you answering the question, Honourable Minister?

Hon. Anthony Eden: I would prefer to answer that when I get the actual figure. I would not want to get the wrong figure.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: The Minister said that there was a Complementary Report for work to be done on the George Town Hospital. Can he say if this report he is alluding to was ever made public, and if this document is available for public scrutiny?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony Eden: Yes, Madam Speaker, it is available, and I can share it with the Legislative Assembly. It was also signed off with acceptance by the late Dr. Bernard Martin-Smith.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: If the document was a prepared estimate of cost for remodelling what was the George Town Hospital, were any contracts signed? Had Government tendered for any of this work, or was this something envisaged to be done in the future?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony Eden: It says it is the Master Facilities Development Plan and it also states the probable cost for the

Government of the Cayman Islands' Health Services Department.

The Speaker: The next question is No. 120, standing in the name of the Third Elected Member for George Town.

QUESTION NO. 120

No. 120: Mrs. Berna L. Thompson Murphy asked the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation if McAlpine Limited has been awarded a mobilisation fee for the construction of the new Health Services complex.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony Eden: No. The contractor for the new George Town Hospital (McAlpine Ltd) did not ask for, and was not awarded, a mobilisation fee.

SUPPLEMENTARIES

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Is the normal policy for Government to award a mobilisation fee?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony Eden: No, it is not normal for Government to award a mobilisation fee. But we do remember in the last instance with the Dr. Hortor Memorial Hospital, that \$1 million was put up, which would have been repaid in the last year of the contract.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Is it the case that no mobilisation fee was asked for because the contract between Government and McAlpine is open-ended, and one does not really know what the exact contractual cost is, therefore there was no mobilisation fee?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony Eden: I find it hard to believe that the Member would ask that when I answered a question similar to this, where McAlpine has completed a contract for \$17-odd million for the construction of the new hospital complex.

The Speaker: The next question is No. 121, standing in the name of the Third Elected Member for George Town.

QUESTION NO. 121

No. 121: Mrs. Berna L. Thompson Murphy asked the Honourable Minister for Tourism, Aviation and Commerce what Government has done to improve passenger and baggage flow at Owen Roberts International Airport.

The Speaker: The Honourable Minister for Tourism.

Hon. Thomas C. Jefferson: Work has started on an expansion programme to the terminal building at Owen Roberts International Airport. This project consists of the following:

- (a) A 4,000 sq. ft extension to the Customs Arrival Hall, thereby almost doubling its size;
- (b) A new baggage conveyor system in the Customs Arrival Hall which will double the capacity of the old system;
- (c) New restroom facilities in the Customs Arrival Hall, which will also accommodate handicapped persons;
- (d) A re-designed exit from the Customs Arrival Hall to improve the flow of passengers and baggage, conserve on air-conditioning costs and, at the same time, offer the security required by Customs;
- (e) A 2,000 sq. ft extension to the Immigration Arrival Hall, thereby increasing that area by almost 25 per cent and allowing an easier flow of passengers by better alignment of the queues;
- (f) A 2,000 sq. ft extension to the Departure Lounge to allow for the same amount being taken off to accommodate the Immigration Arrival Hall extension;
- (g) The construction of restroom facilities in the public concourse which will also accommodate handicapped persons;
- (h) A roof over the baggage make-up area on the departure side of the building.

This project is estimated to cost CI\$1.6 million and should be completed by 1st December, 1996. The contract for the construction was awarded by the Central Tenders Committee after competitive tender, to Arch and Godfrey Construction Limited. This project is being funded from revenues of the Civil Aviation Authority.

SUPPLEMENTARIES

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Can the Honourable Minister state if any negotiations have taken place with the

Civil Aviation and the airlines regarding staggered schedules for the aircraft?

The Speaker: The Honourable Minister for Tourism and Aviation.

Hon. Thomas C. Jefferson: We talked to one of the airlines in this regard, but I think what we need to understand clearly is that airlines begin their operations in different parts of the world, at 6.00 AM generally. When you are arriving in Miami or Houston, you have to connect with that traffic, otherwise that traffic goes to Mexico or some other part of the world. The Civil Aviation Authority, in my view, will never be in a position to control traffic from North America to other parts of the world.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Minister say if in the design and construction of these renovations any attempt was made to provide more space for the airlines which operate check-in counters at the airport?

The Speaker: The Honourable Minister for Tourism and Aviation.

Hon. Thomas C. Jefferson: According to our information no additional facilities are required on the check-in side. That was dealt with almost a year and a half ago, and it is the view of the Director of Civil Aviation and other staff that, at the moment, it is adequately served.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Minister say if any of the airlines operating in the terminal have made requests for additional space and not been granted that request?

The Speaker: The Honourable Minister for Tourism and Aviation.

Hon. Thomas C. Jefferson: I cannot answer that question, as it has never come to my desk.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Minister undertake to provide the answer in writing?

The Speaker: The Honourable Minister for Tourism and Aviation.

Hon. Thomas C. Jefferson: With pleasure, Madam Speaker.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: In the process of the major work being done at the Airport, has any thought been given to

improving the roof so that the major leaks which occur in the Customs section of the airport are stopped?

The Speaker: The Honourable Minister for Tourism and Aviation.

Hon. Thomas C. Jefferson: As I understand the roof is also being attended to. It has been repaired from time to time. All of us know that if you have a flat roof you can look for the leaks because they are going to happen.

May I go on to say that the original design of the building was a flat roof. To try now to change it into a hip roof... I do not know what the cost would be. Certainly, the design of the building would change significantly.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: In the grand scheme of things being done at the Owen Roberts Airport, has the Civil Aviation Authority given any consideration to improvement with regard to traffic and traffic flow at the airport?

The Speaker: The Honourable Minister for Tourism and Aviation.

Hon. Thomas C. Jefferson: I would ask the Member to be more specific. Is he talking about cars or passengers travelling to the airport?

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: I am referring to vehicles, Madam Speaker. Ground transportation.

The Speaker: The Honourable Minister for Tourism and Aviation.

Hon. Thomas C. Jefferson: The Civil Aviation has this matter under consideration at all times. We do know that when you look at the schedule of arrivals that begin from 11.30 AM and go on to 3.00 or so in the afternoon, that you have a maximum period when persons are congregating in that area, either departing or arriving passengers. While the traffic flow is not ideal, I do not believe that at the moment there is within the airport area itself a significant problem to solve.

The Speaker: The next question is No. 122, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 122

No. 122: Mr. Roy Bodden asked the Honourable Minister for Tourism, Aviation and Commerce how Government's efforts to promote the Cayman Islands as a tourist destination among the residents of Spain has benefited the Caymanian people.

The Speaker: The Honourable Minister for Tourism and Aviation.

Hon. Thomas C. Jefferson: Before I answer that question, could I apologise for having my answer to the Third Elected Member for George Town, with an answer that states, "This is a Parliamentary Question for the First Elected Member for Bodden Town." My apologies to you.

The answer to the question asked by the First Elected Member for Bodden Town is: The decision to appoint a tourism representative in Spain was taken after careful analysis of the Spanish market by the Department of Tourism. This analysis revealed that in Spain there existed a potential market for the Cayman Islands, particularly among the more affluent, upscale tourists, which matched the profile of the type of visitor targeted internationally by the Department of Tourism.

During 1995 the contribution to our economy and the resulting benefits to the Caymanian people have been estimated at approximately US\$1.1 million, with an average spend of US\$2,500 per visitor. Visitors from this market are accustomed to a full month of vacation and spend an average of 12 nights in the Cayman Islands. They are among the highest spenders.

Through the efforts of the Department of Tourism to attract meeting and incentive markets, a group of 120 persons are now finalised for February 1997. Estimated expenditure to be generated by that group is US\$250,000.

The Spanish market is still relatively new to the Cayman Islands and is still in the developmental phases. But it is safe to say, from information available so far, that the decision to go after this market was a good one and it has the potential for growth and substantial contribution to our tourism industry.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Minister say if the group of 120 persons given in the answer represents the only booking for 1997?

The Speaker: The Honourable Minister for Tourism and Aviation.

Hon. Thomas C. Jefferson: I am sure that the First Elected Member for Bodden Town is trying to tell a joke. It is only an example of some of the visitors that we have arranged for, to try to show the benefits generated by a certain number of people.

In 1995 the arrivals were 459, and in 1996 through the end of July, or the estimate for the year, we are looking at 600 visitors.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Could the Honourable Minister say what the costs of operating with a representative in Spain from the Department were, and the advertising that took place during 1995?

The Speaker: The Honourable Minister for Tourism and Aviation.

Hon. Thomas C. Jefferson: The answer to that is in the 1995 Budget Allocation - \$99,680. If we compare that to the US\$1.1 million which this country benefited from, I would say that that was a good deal.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Minister say if the amount he just mentioned was the actual amount spent, or was more spent?

The Speaker: The Honourable Minister for Tourism and Aviation.

Hon. Thomas C. Jefferson: I think the 1995 accounts are still in the finalisation stage. I know that the Auditor General and the Public Accounts Committee are presently looking at all of these, but I am not in a position to give that information at this time.

The Speaker: The next question is No. 123, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 123

No. 123: Mr. Gilbert A. McLean asked the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation if any changes have been made to the design of the George Town Hospital since the artist's impression which was published by the Ministry of Health.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony Eden: There have been some minor modifications to the exterior of the new hospital since the publication of the artist's impression. These are as follows:

(a) At the request of the Central Planning Authority, the canopy at the front entrance will be extended over the road in order to protect patients arriving at the hospital when it is raining.

(b) The exterior window/shutter combination has been upgraded to hurricane rated shutterless windows to meet the Government's new safety standards for hurricane resistance. Therefore, the shutters shown on the artist's impression will not be on the completed building.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Has there been any change to the roof of the hospital from a hip roof to a flat roof to adjust cost on the project?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony Eden: As a prudent Government trying to save money we looked at it. But the Central Planning Authority urged that we stay with the hip roof and the cost of this will probably work out to be less than 1% of the overall cost of the hospital.

The Speaker: The next question is No. 124, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 124

No. 124: Mr. Gilbert A. McLean asked the Honourable Minister for Agriculture, Environment, Communications and Works when the dredging operations are expected to resume in the North Sound.

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: As Honourable Members of this House have heard before, only one dredging operation is currently licensed to dredge in the North Sound. This original 1988 licence was granted to Caymarl Ltd on 3rd May, 1996, which requires the licensee to provide Government with 30 days' written notice prior to commencement of works. As of yet, my Ministry has not received the written notice.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Could the Minister say if in the Throne Speech this year it was not stated that there were actually two dredging operations which were said to be the completion of licences previously granted? One was dealing with Simmons dredging, if I recall correctly.

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: It was said that those would be entertained the same as Caymarl Ltd. But thus far nobody has come forward with anything on that.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Would the Honourable Minister say if any requirements have been put in place by Government for these operations to carry out proper inspections or

impact studies with regard to these pending dredging operations?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: The pending dredging operations were all in the area of a study that was carried out which recommended that some 12 million cubic yards of marl could be removed, of which, it is my understanding, less than 2,000 have been taken.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Could the Honourable Minister say which study he is referring to? When was it completed, and was it accepted by any previous Government?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: The study was done prior to this Government. It was sometime before 1988. I do not have the other information. If the Member would put it down as a substantive question, I will be happy to give him the information.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: To jog the Honourable Minister's memory, could the study he is referring to be one that was done 20 years ago?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: I just said that I did not have the information with me. I will give it to the Member after I research it.

The Speaker: The next question is No. 125, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 125

(Deferred)

No. 125: Mr. D. Kurt Tibbetts asked the Honourable Minister for Agriculture, Environment, Communications and Works to give an update on the progress of the development of the National Roads Plan.

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: There seems to be some mix-up with the Order Paper. This question was not supposed to be down for today. I ask that it be set down for a later date. I have already spoken to the Clerk about it.

The Speaker: So the question is that the answer to Question No. 125 be deferred until a later Sitting?

Hon. John B. McLean: That is correct.

The Speaker: The question before the House is that the answer to question No. 125 be deferred. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The answer is accordingly deferred.

AGREED. QUESTION NO. 125 DEFERRED.

The Speaker: Question No. 126 is standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 126

No. 126: Mr. D. Kurt Tibbetts asked the Honourable Minister for Education and Planning if a full complement of teachers has been hired for all of the Government schools for the September 1996 term.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Yes, the Education Department has recently hired 43 new staff to begin the new school year. Twenty-six fully trained teachers have been assigned to fill all vacant teaching posts in the schools, as well as 17 teacher's aides and special support assistants. I am happy to report that 19 of these posts have been filled with Caymanians, the largest number in recent years.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: I know what the answer is saying, but I will ask a specific question: Can the Minister say if the Savannah Primary School is lacking any teachers at all at present?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: I understand that one of the 43 teachers that we agreed to employ was unable to fulfil that post through some technical Immigration problems. We have now put supply teachers in there and the new teacher should be in the post within the next few weeks. Out of the 43, this was the only one who was, unfortunately, unable to take up the post.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Minister say, if I am not straying too far, how many teachers in the staff complement up until this time have been transferred from teaching staff to members of the Education Department?

The Speaker: I do not know if the Minister has that information. That would have required prior notice.
: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Three teachers were promoted to the Education Department, I understand. I should point out that the Chief Education Officer knew only a week before the schools opened that out of the 43 teachers that one teacher could not take up the post.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: For purposes of clarity, are the three posts which the Minister just referred to part of the 43 new staff?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: If I am understanding the Member correctly, the three who transferred to the Education Department are not included in the 43 I have referred to here. If that is what the Member is asking.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: That is exactly what I am asking. Does that mean that there are three vacancies which have not been filled?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: I repeat: All vacancies are filled in the teacher's posts. The one who unfortunately did not take up the position is covered by supply teachers. Therefore, all teaching posts are filled, all children are being properly taught by the qualified teachers.

The Speaker: The last supplementary. The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Just to make clear what I am asking, if 43 new staff have been hired, and three of the existing staff have been promoted creating three vacancies, and none of the 43 staff just hired is filling those three posts, then how are the posts being filled?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: I am going to repeat that all of the posts in the schools are filled. The three teachers who are not in their posts have other teachers in those posts. What the Member is trying to achieve is for me to say that

all of the posts are not filled, but all the posts are filled. I can answer no further than that. They are all filled.

The Speaker: The next question is No. 127, standing in the name of the Fourth Elected Member for West Bay.

QUESTION NO. 127

No. 127: Mr. D. Dalmain Ebanks asked the Honourable Minister for Sports, Women's and Youth Affairs and Culture what is the status of the Public Library for West Bay.

The Speaker: The Honourable Minister for Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: Money was approved in the 1996 Budget for the West Bay Public Library which was to be housed in the West Bay Town Hall. The West Bay Town Hall is a hurricane shelter. Once the new Civic Centre and Hurricane Shelter have been constructed, the plan for the use of the Town Hall as a District Library for West Bay will be implemented.

SUPPLEMENTARY

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: I wonder if the Honourable Minister can tell us what Government's policy is with regard to construction of public libraries in the outer districts.

The Speaker: The Honourable Minister for Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: The Government's plans for district libraries includes the utilisation of present Town Halls in those districts that also have other buildings for Civic Centres.

For instance, the representatives from the district of Bodden Town have also asked that we examine the old Bodden Town health clinic as a possible site for the library instead of utilising the present Town Hall. We have taken that into consideration, and I know that the Public Works Department has investigated it and made some recommendations.

The general policy includes utilisation of present Town Halls for libraries.

The Speaker: The next question is No. 128, standing in the name of the Fourth Elected Member for West Bay.

QUESTION NO. 128

No. 128: Mr. D. Dalmain Ebanks asked the Honourable Minister for Sports, Women's and Youth Affairs and Culture what the present status of the Civic Centre for West Bay is.

The Speaker: The Honourable Minister for Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: The master plan for the West Bay Civic Centre/Multi-Purpose Hall has been approved

by the Planning Department. The ground-breaking ceremony is planned for some time in the first two weeks of October.

I should say that we have recently completed a purchase transaction of all the properties needed where it was the intention of Government to place the Civic Centre. When I say 'we', I refer to the Lands and Survey Department.

The Speaker: The Third Elected Member for West Bay.

And may I ask in the future that you allow one Member to sit before rising? No two Members should be on their feet at the same time.

Mr. John D. Jefferson, Jr: Thank you, Madam Speaker.

I wonder if the Honourable Minister can say whether or not a contract has been awarded in regard to the construction of the new Civic Centre for West Bay.

The Speaker: The Honourable Minister for Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: I do not think so. I think those things will be completed in the run-up to the ground-breaking. I am hoping that it will be completed by the first two weeks of October.

The Speaker: The Fourth Elected Member for West Bay.

Mr. D. Dalmain Ebanks: I would like to ask the Minister if he could give any time schedule as to when the Civic Centre will be finished.

The Speaker: The Honourable Minister for Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: I am hoping that once it is started, the Civic Centre will be completed in the first half of 1997. It will begin construction in October.

The Speaker: That concludes Question Time for this morning. We proceed now to Government Business, Bills, First Reading.

GOVERNMENT BUSINESS

BILLS

FIRST READING

COMPANIES LAW (1995 REVISION) (AMENDMENT) (AUTHORISED SIGNATORIES) BILL, 1996

Clerk: The Companies Law (1995 Revision) (Amendment) (Authorised Signatories) Bill, 1996.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.
Second Reading.

SECOND READING

COMPANIES LAW (1995 REVISION) (AMENDMENT) (AUTHORISED SIGNATORIES) BILL, 1996

Clerk: The Companies Law (1995 Revision) (Amendment) (Authorised Signatories) Bill, 1996.

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: I beg to move the second reading of a Bill entitled, The Companies Law (1995 Revision) (Amendment) (Authorised Signatories) Bill, 1996.

The Companies Registry operates in a highly competitive market where competitors are continually enhancing services offered in an effort to attract investors to their respective jurisdictions. Since 1990 the Companies Registry has grown by 63%. Presently, there are over 36,000 companies registered, compared to 22,260 as at 31st December, 1990.

In 1996, registration from 1st January to 31st July was up 28.9%, compared to the same period in 1995. To be more specific, the number of companies registered from January through the end of July was 4,298, compared to 3,335 for the same period in 1995.

Since its inception, the Registrar of Companies and his Deputy have been responsible for signing all documents processed and issued by the Companies Registry. Due to the growth of the register and the increasing demands of the financial industry in recent years, it has become increasingly difficult for the registry to process and issue documents on a timely basis.

To meet the growing demands of the financial industry, earlier this year three Assistant Registrars were recruited by the department. The staff of the Companies Registry are restructured to include working teams of four persons with an Assistant Registrar being assigned as supervisor to a team managing a portfolio of 12,000 plus companies.

Turning now to the Memorandum of Objects and Reasons: "**This Bill seeks to improve the efficiency of the Companies Registry and to reduce the time needed to complete the registration process.**"

"**Section 3 of the Companies Law (1995 Revision) provides that only the Registrar of Companies and his deputy may sign documents relating to the registration of companies. The amount of business now transacted by the Registry combined with the limited number of authorised signatories, is resulting in unacceptable delays, and clause 2 of the Bill rectifies that by enabling the Financial Secretary to authorise additional officers within the Registry to sign documents and to undertake other functions that are now restricted to the Registrar and his deputy.**"

"**Clause 3 provides that a document purporting to be validly signed by an authorised officer shall be accepted as such until the contrary is proved, even if the signature is mechanically or electronically reproduced, thereby enabling computer-generated and pre-printed documents to bear facsimile signatures.**"

I commend this Bill to this Honourable House.

The Speaker: The question is that a Bill entitled, The Companies Law (1995 Revision) (Amendment) (Author-

ised Signatories) Bill, 1996, be given a second reading. The motion is open for debate.

If there is no debate, does the Honourable Third Official Member wish to add anything further?

Hon. George A. McCarthy: I would like to thank Members for their tacit support.

The Speaker: The question is that The Companies Law (1995 Revision) (Amendment) (Authorised Signatories) Bill, 1996, be given a second reading.

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

AYES.

The Speaker: The Ayes have it.

AGREED: THE COMPANIES LAW (1995 REVISION) (AMENDMENT) (AUTHORISED SIGNATORIES) BILL, 1996, GIVEN A SECOND READING.

The Speaker: The House will now go into Committee to discuss The Companies Law (1995 Revision) (Amendment) (Authorised Signatories) Bill, 1996.

COMMITTEE ON BILL

HOUSE IN COMMITTEE AT 10.59 AM

COMPANIES LAW (1995 REVISION) (AMENDMENT) (AUTHORISED SIGNATORIES) BILL, 1996

The Chairman: Please be seated.

: The House is in Committee to discuss The Companies Law (1995 Revision) (Amendment) (Authorised Signatories) Bill, 1996. The Clerk will read the Clauses.

Clerk: : Clause 1. Short Title.

Clause 2. Amendment of Section 3.

Clause 3. Authentication of Documents.

The Chairman: The question is that Clauses 1 through 3 do form part of the Bill. The Motion is open for debate.

If there is no debate, I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSES 1, 2 AND 3 PASSED.

Clerk: A Bill for a Law to amend the Companies Law (1995 Revision).

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

AYES.

The Chairman: The Ayes have it.

AGREED: TITLE PASSED.

The Chairman: That concludes proceedings in Committee on the Companies Law (1995 Revision) (Amendment) (Authorised Signatories) Bill, 1996.

The question is that the House do resume, and that a Report be made. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED. THAT THE BILL BE REPORTED TO THE HOUSE.

HOUSE RESUMED AT 11.00 AM

REPORT ON BILL

COMPANIES LAW (1995 REVISION) (AMENDMENT) (AUTHORISED SIGNATORIES) BILL, 1996

The Speaker: Please be seated.

Report. The Honourable Third Official Member.

Hon. George A. McCarthy: I am to report that a Bill entitled, The Companies Law (1995 Revision) (Amendment) (Authorised Signatories) Bill, 1996, was considered by a Committee of the whole House and passed without amendments.

The Speaker: The Bill is accordingly set down for Third Reading.

The Speaker: Proceedings are suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.01 AM

PROCEEDINGS RESUMED AT 11.28 AM

The Speaker: Please be seated.

I hope we are not changing the House into one of the famous shopping centres in Malaysia. I just saw a display of neckties being held up! *(Members' laughter)*

Other Business. Private Member's Motion No. 9/96, Beach Access and Use by the Public. The First Elected Member for Bodden Town.

OTHER BUSINESS

PRIVATE MEMBERS' MOTIONS

PRIVATE MEMBER'S MOTION NO. 9/96

BEACH ACCESS AND USE BY THE PUBLIC

Mr. Roy Bodden: Madam Speaker, if it meets with the approval of the House, we just had some discussion with the Honourable Minister for Education and Planning, who is the

Leader of Government Business, and I crave permission to withdraw this Motion at this time and bring it back tomorrow.

The Speaker: I think the correct term would be to 'defer' the Motion.

Mr. Roy Boddén: To defer the Motion. I stand to be corrected.

The Speaker: Is there a seconder for that? The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: I beg to second the motion.

The Speaker: The question is that Private Member's Motion No. 9/96 be deferred until tomorrow's sitting. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The Motion is accordingly deferred until tomorrow's sitting.

AGREED: PRIVATE MEMBER'S MOTION NO. 9/96 DEFERRED.

The Speaker: At this time I will ask the Honourable Minister for Education to move the Adjournment of the House until 10.00 tomorrow morning.

ADJOURNMENT

Hon. Truman M. Boddén: Thank you, Madam Speaker.

I move the adjournment of this Honourable House until 10 o'clock tomorrow morning.

The Speaker: The question is that the House do now adjourn until tomorrow morning at 10 o'clock.

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

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until tomorrow morning at 10.00.

AT 11.29 AM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM THURSDAY, 5TH SEPTEMBER, 1996.

**EDITED
WEDNESDAY
5TH SEPTEMBER, 1996
10.07 AM**

The Speaker: I will ask the Honourable Minister for Agriculture, Environment, Communications and Works to say prayers.

PRAYERS

Hon. 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 II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

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

**PRESENTATION OF
PAPERS AND REPORTS**

**FINANCIAL STATEMENTS OF THE PORT
AUTHORITY OF THE CAYMAN ISLANDS FOR THE
YEAR ENDED 31ST DECEMBER, 1995 AND 1994**

The Speaker: Presentations of Papers and Reports. Financial Statements of the Port Authority of the Cayman Islands for the year ended 31st December, 1995 and 1994. The Honourable Minister for Tourism, Aviation and Commerce.

Hon. W. McKeever Bush: Madam Speaker, the Minister seems to be late this morning. The Government is asking for the Report to be deferred, either for later today or in the morning.

The Speaker: Thank you Honourable Minister.

We shall proceed to questions. Question No. 129 is standing in the name of the Third Elected Member for George Town.

**QUESTIONS TO HONOURABLE
MINISTERS/MEMBERS**

QUESTION NO. 129

No. 129: Mrs. Berna L. Thompson Murphy asked the Honourable Minister for Education and Planning what effect the reintroduction of the reception class has had on the enrolment figures at the North Side and East End Primary School s.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddin: Madam Speaker, the answer: The reintroduction of the reception classes at East End and North Side Primary School s has had a positive effect on the enrolment at both schools. The total enrolment at East End Primary before the introduction of the reception class last year was 67, while the registration for this year has risen to 111.

The enrolment at North Side Primary School in 1995/96 was 37, and the registration for 1996/97 has risen to 64.

SUPPLEMENTARIES

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Could the Honourable Minister say if this is going to be re-introduced in the other primary schools in the islands?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddin: Madam Speaker, at present there is no space in any of the other schools to do so. We have no immediate plans, but it is something we will keep under review having seen how well this project has gone.

The Speaker: The Member for North Side.

Mrs. Edna M. Moyle: Thank you, Madam Speaker.

Could the Minister say why the decision was taken to reintroduce the reception class in the North Side Primary School?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddin: Madam Speaker, the lady Member from North Side pressed me quite a few times to look into this matter and was quite consistent with her request. As a result, we did a quick study and realised that what she was saying was correct. There is no private nursery school in North Side, so there were a lot of inconveniences to parents who had to take their children outside of the school catchment area to pre-schools in other districts. This was one way of assisting the working parents who had to leave their young children. I thank the lady Member for pointing this out to me.

The Speaker: The next question is No. 130, standing in the name of the Third Elected Member for George Town.

QUESTION NO. 130

No. 130: Mrs. Berna L. Thompson Murphy asked the Honourable Minister for Education and Planning if provision has been made to provide a steel-pan teacher for the John Gray High School for September.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddin: Madam Speaker, the answer: A teacher has been hired at the John Gray High School who has extensive experience in steel pan organisation and instruction. While she has been hired primarily to teach Mathematics and Physics, she will also teach steel-pans and work with the steel band.

SUPPLEMENTARY

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Could the Honourable Minister state the nationality of this individual?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddin: Madam Speaker, I understand that her nationality is Trinidadian.

The Speaker: The next question is No. 131, standing in the name of the Third Elected Member for George Town.

QUESTION NO. 131

No. 131: Mrs. Berna L. Thompson Murphy asked the Honourable Minister for Agriculture, Environment, Communications and Works to state what developments

have taken place with the annual Agricultural Show over the last four years.

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Madam Speaker, the answer: During the past four years significant strides have been made to improve the annual Agricultural Show to the benefit of both the farming community and the public.

1. Buildings:
 - a) Construction of a purpose-built pavilion of 12,600 sq. ft. The building provides accommodation for display of exhibits and allows for greater ease of judging during competitions. Conference and meeting facilities are also contained within the building.
 - b) Construction of permanent structures including livestock holding facilities for cattle, horses, pigs and goats; a parade ring; kitchen and rest room facilities and gate facilities for organised entry and exit of patrons.
 - c) Construction of semi-permanent structures including food stalls, booths and children's play enclosure and petting zoo.
2. Site Improvements:
 - a) Approximately eight acres were filled and landscaped to provide safe and easy access to all areas of the show ground where exhibits and displays take place.
 - b) A number of picnic tables and rest areas have been provided for the public's benefit.
3. Parking:

Off the road parking was developed to enhance ease of access, improve road safety and minimise inconvenience to neighbourhood residents.
4. Equipment and Supplies:

The Agricultural Society is now able to be cost effective in maintaining and storing owned equipment, for example, snow-cone, cotton candy and popcorn machines, as well as kitchen and other supplies for show purposes.

These physical and material developments have contributed significantly in raising the standard of exhibits and demonstrations to new heights, while providing for greater enjoyment and safety of the visiting public. A considerable effort has been made to ensure that children and families are well catered to during the day of the show.

SUPPLEMENTARIES

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Would the Honourable Minister be in a position to state the approximate cost to Government for these developments over the same period?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Madam Speaker, the construction of the pavilion was \$307,850.00, and the cost for the pens was \$5,000. A sum of \$64,511.00 was spent on the development of the grounds.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Could the Minister say what other benefits have been derived from these developments, if any?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean : Madam Speaker, the annual Agricultural Show now has a permanent home and meeting place. The facility is also used to conduct seminars, workshops, and other training initiatives for the farming community. It is proposed that a portion of the said building will also be developed into the agricultural hall of fame. The Agricultural Society has also been using the facility for mini-shows which have also proven to be a great success.

The Speaker: The next question is No. 132, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 132

No. 132: Mr. Roy Bodden asked the Honourable Minister for Education and Planning to state the number of students from the Alternative Education Centre which were returned to the John Gray and George Hicks High Schools in the past school year.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, the answer: During the past year, 20 students were assigned to the Alternative Education Centre of which seven were returned to the George Hicks High School and three to the John Gray High School on a permanent basis. Of the remaining ten students, seven have been reintegrated on a part-time basis (from between five to 26 class-periods per week) at John Gray High School and two have been returned to George Hicks High School (from eight to 14 periods per week). One student was

assigned to the Cayman Islands Marine Institute (CIMI) after being judged as beyond parental control.

SUPPLEMENTARY

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden : Could the Honourable Minister say how the students who are returned to the respective schools from the Alternative Education Centre are monitored?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, these students are monitored within the classes by the teachers within those schools.

I would like to point out that the Alternative Education Centre has been very successful in integrating (as I have shown here) students by proper monitoring throughout. It is unfortunate that this had been abolished by Mr. Oswald Rankine and the previous government. It has proven to be very successful and is properly monitored.

SPEAKER'S RULING

The Speaker: May I ask the Honourable Minister in the future not to call people's names? As far as I know, Mr. Oswald Rankine was not a minister, nor was he in charge of education at that time. Thank you.

Hon. Truman M. Bodden: Madam Speaker, may I address you on that?

The Speaker: You certainly may.

Hon. Truman M. Bodden: With respect, Madam Speaker, he (Mr. Rankine) was the Permanent Secretary for Education and I have no other way of referring to him, but by his name.

The Speaker: The fact is, as far as I know, the Permanent Secretary in any Ministry is not the person who makes the programmes or the projects for Education; they only carry them out. That is the point I am making Honourable Minister.

Hon. Truman M. Bodden: Madam Speaker, my Permanent Secretary is an integral part of my Ministry as anyone could be.

The Speaker: I have made my point Honourable Minister. Thank you.

The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Could the Honourable Minister state whether these students are referred on the basis of academic deficiency or behavioural problems?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, behavioural problems.

The Speaker: The next question is No. 133, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 133

No. 133: Mr. Roy Bodden: asked the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation what the status of the proposed Drug Rehabilitation Centre to be erected on the Hawley Estate in Breakers is.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: The proposed Drug Rehabilitation Centre at Breakers went before the Central Planning Authority on 3rd April, 1996, as an application for change of use of an existing building (on the Hawley Estates at Breakers) to that of a Drug Rehabilitation Centre.

Approval of this application was granted on 24th April, 1996. On 22nd May, 1996, notice of appeal was given by various objectors. I am presently awaiting the outcome of that appeal.

I feel compelled to add that although I am disappointed by this turn of events, the National Team Government and I firmly believe in the democratic process and the right of our people to freely express their wishes and desires. If this means that I have to wait for the process to be completed, then I will do so.

The Speaker: The First Elected Member for Bodden Town.

SUPPLEMENTARIES

Mr. Roy Bodden: Thank you, Madam Speaker.

Would the Honourable Minister state what the cost of developing this project will be, and from whence the funds will come?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Madam Speaker, \$250,000 were provided in the Budget for the first phase. The approximate overall cost will be over \$500,000.

The Speaker: The next question is No. 134, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 134

No. 134: Mr. Roy Bodden: asked the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation to provide a status report on the construction of the new hospital.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Madam Speaker, I am pleased to report that Phase I of the new hospital is proceeding as planned. The following buildings are under construction:

- a) The building to accommodate the Morgue, Hyperbaric Chamber, Forensic Laboratory and the Mechanical/Electrical services is up to roof level now and, it is anticipated that the wooden roof trusses will be installed this months. It is expected that the construction phase of this one-storey building will be completed in the early part of next year after which commissioning can commence.
- b) The building to accommodate Mental Health, Physiotherapy, and the Intensive Care Unit has been completed to the ground floor slab. The columns to support the upper floor slab are presently under construction. This two storey building is not scheduled for construction completion until early next year after which commissioning can commence.
- c) The building to accommodate the Operating Theatres, Laboratories, Maternity, and Paediatrics, is at the foundation stage and the concrete ground floor slab is in the process of being poured. The construction of this building is anticipated to be completed in the spring of next year after which commissioning can commence.

The Speaker: The First Elected Member for Bodden Town.

SUPPLEMENTARIES

Mr. Roy Bodden: Thank you, Madam Speaker.

Can the Honourable Minister state if upon completion there will be a need to acquire any additional property?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Madam Speaker, we have no intention at this time to acquire any additional property. With the removal of the MRCU building there will be sufficient space.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Madam Speaker, would the Minister state how this project is being financed?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden : Madam Speaker, the first phase of this is being financed through a loan which was part of the November Budget, and next year as we go forward it will be financed from recurrent revenue.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.
Can the Honourable Minister state how much money has been expended on this project to date?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Madam Speaker, up to this stage we are approximately between \$5 million to \$6 million. I do not have the exact figures because each day the project moves forward.

The Speaker: The next question is No. 135, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 135

No. 135: Mr. Gilbert A. McLean asked the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation if the Central Planning Authority has placed any limitations on the noise factor in the construction of the George Town Hospital and if construction noise is affecting the operations in the present hospital.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation

Hon. Anthony S. Eden: The Central Planning Authority has not placed any limitations on the noise factor in the construction of the new George Town Hospital. However, the contractor, McAlpine Limited, and the hospital management are very well aware of the potential impact that noise can have on on-going patient care. On occasion it has been necessary to carry out construction in close proximity to the hospital. The hospital staff and the construction team have been able to work together to arrange procedures and services in order to minimise the disturbance to patients. To date no major complainants about noise have been received from patients.

Madam Speaker, I might add that they are so eager to get this going that they are willing to bear with the minimum amount of noise that is going on.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Is the Minister saying that there have been no complaints from patients regarding the noise in the hospital? Has it been affecting the school nearby?

The Speaker: The second question cannot be addressed to the Honourable Minister for Health as he is not in charge of Education.

Hon. Anthony S. Eden: Madam Speaker, I will say that we have had no complaints reported to the Ministry.

The Speaker: Honourable Minister are you addressing the Chair, sir?

Hon. W. McKeever Bush: If you would allow me I could give a dissertation on that issue, Madam Speaker.

The Speaker: Not at the moment, that is not before the House.

The next question is No. 136, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 136

No. 136: Mr. Gilbert A. McLean asked the Honourable Member for Internal and External Affairs to state whether civil servants or others paid from public revenue are allowed to receive pension and salary for holding public office at the same time.

The Speaker: The Honourable Member for Internal and External Affairs.

Hon. James M. Ryan: Madam Speaker, the answer is yes.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Could the Honourable Member say if there are any regulations or laws which prohibit this from happening within the Government service?

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Madam Speaker, not to my knowledge.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Are there any persons employed in the Government Services who are receiving

pension and salary at the same time, as is asked in the substantive question?

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Madam Speaker, there are a few persons receiving pensions who are working with Government and receiving salary.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Could the Honourable Member say if all the people who might be eligible for this consideration are receiving the same?

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Madam Speaker, there is one pensioner who has been re-employed and his pension has been suspended. It has now been brought to my attention and I will be making recommendation to the Public Service Commission for this to be addressed.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean : Could the Honourable Member say if there are any persons within the Legislative Assembly who find themselves in this position, and could the Member give an undertaking to determine how many persons might be eligible for consideration of dual payment and see that they get the opportunity of receiving the same as others?

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Madam Speaker, I assume the Member is speaking about Elected Members of the Legislative Assembly. To my knowledge, no, there is no one affected. Regarding persons who receive such consideration, there are five persons who were previously employed who have now retired and are now re-employed into the Service.

There is a mixture of employment arrangements for these persons, and there are at least two who are working in the Group Employee category. But I will certainly look into this. As far as I know, there is only one member who would be eligible who has not been receiving both salary and pension.

The Speaker: That concludes Questions Time for this morning. Government Business, Bills. Third Reading.

GOVERNMENT BUSINESS

BILLS

THIRD READING

COMPANIES LAW (1995 REVISION) (AMENDMENT) (AUTHORISED SIGNATORIES) BILL, 1996

Clerk: The Companies Law (1995 Revision) (Amendment) (Authorised Signatories) Bill, 1996.

The Speaker: The Honourable Third Official Member.

Hon. George A. McCarthy: Madam Speaker, I beg to move that a Bill entitled The Companies Law (1995 Revision) (Amendment) (Authorised Signatories) Bill, 1996, be given a Third Reading.

The Speaker: The question is that a Bill entitled the Companies Law (1995 Revision) (Amendment) (Authorised Signatories) Bill, 1996, be given a Third Reading and passed.

The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture, would you like to speak before I put the question?

Hon. W. McKeeva Bush: On a point of procedure, yes.

The Speaker: Please do so.

Hon. W. McKeeva Bush: Madam Speaker, today being Thursday, I believe we need to suspend Standing Orders to take that business, as Private Members' business is first on the Order Paper.

The Speaker: Would someone wish to move the suspension of Standing Orders?

SUSPENSION OF STANDING ORDER 14(3)

Hon. W. McKeeva Bush: I so move, Madam Speaker.

The Speaker: The question is that Standing Order 14(3) be suspended in order that Government Business be given precedence, since it is Thursday, the day assigned for Private Members' Business.

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

AYES.

The Speaker: The Ayes have it. Standing Orders have accordingly been suspended.

AGREED: STANDING ORDER 14(3) SUSPENDED.

The Speaker: I shall now put the question that the Bill be given a Third Reading and passed. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given a Third Reading and passed.

AGREED: THE COMPANIES LAW (1995 REVISION) (AMENDMENT) (AUTHORISED SIGNATORIES) BILL, 1996, READ A THIRD TIME AND PASSED.

The Speaker: Other Business. Private Member's Motion No. 9/96 - Beach Access and Use by the Public. The First Elected Member for Bodden Town.

PRIVATE MEMBERS' MOTION

PRIVATE MEMBER'S MOTION NO. 9/96

BEACH ACCESS AND USE BY THE PUBLIC

Mr. Roy Bodden: Thank you, Madam Speaker. I beg to move Private Member's Motion No. 9/96 which reads as follows:

"BE IT RESOLVED that the Government make a clear and unequivocal statement regarding access to and use of beaches by the public."

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Madam Speaker, I beg to second the Motion.

The Speaker: Private Member's Motion No. 9/96, having been duly moved and seconded, is now open for debate.

The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

It is fair to remark that in this country we have a tradition of using beaches, not only for fishing purposes but also for recreation. This form of recreation is perhaps the most popular form of recreation in this country. It is the recreation of the young, the middle-aged, and even the elderly. Many Caymanians will tell you that a walk on the beach is one of the most refreshing and stress-relieving occupations one can be engaged in. Indeed, our ancestors practised that for generations.

Recently, it seems that many problems have been experienced, even though political directorates in the past went as far as to clearly demarcate beach access ways. With increasing development it seems that people are becoming more property and territory conscious. There have been reports in the recent past of Caymanians who were accosted and/or ejected (or, as in one case, threatened with ejection - and I am speaking about a harmless mother and her two children) for just carrying on normal beach activities. So these incidents have brought to the forefront the importance of, and the necessity for the Government to formulate and make public

its clear and unequivocal position regarding the rights and privileges of persons using beaches and beach access ways.

I hasten to add that the business of using beaches and beach access, and the accompanying resentment on the part of some people, is not limited only to Caymanians. Last year sometime, and early this year, one of my constituents who operates a business along Seven Mile Beach called me to express his concern that tourists were (as he described it) being harassed by property owners in their attempt to get to and use the beach. According to the complainant, he had observed this happening on more than one occasion. The tourists were merely bathing on the beach and using that part of the beach which he claimed was not an encumbrance, and were not trespassing on the private landowners' properties. I want to make the point that while Caymanians have been complaining, the complaints and the resentments felt are not limited to Caymanians. Hence, there seems to be a great urgency to clear this matter up.

I have documented some complaints brought to me by persons in the constituency which I represent. In one case one property owner put a dog on one of my constituents, and when he went into the water up to his neck, the dog proceeded to chase him. In another instance, one of the men who frequently fishes for sprats in Bodden Town was chased off a jetty which extended into what we know could not be private property by a property owner and his dog.

Madam Speaker, I can safely say that the Caymanian people are some of the most respectful people in the world. While we have our problems, no one can make me believe that the majority of Caymanians are not respectful of the rights of property owners, particularly when it comes to private property. But I am dismayed, alarmed and concerned that people would be so mean as to put dogs on fishermen who are going about their business of trying to catch a few fish. No good can come of this business; it will breed resentment, and Caymanians, who have a reputation for being gracious hosts and hostesses, will have no alternative but to change their temperament. It behoves none of us, however affluent and fortunate we find ourselves, to become so stingy, scrooge-like and uncharitable that we would resort to this kind of mean behaviour. The resources should be enjoyed by all, particularly if the rights of private individuals are respected, as they have been.

I noticed that in one of these incidents the police had to be summoned to rescue someone. It seems to me that it will be a great help, and once and for all it will put to rest any ambiguities that may occur, if the Government states a legally formulated position which clearly defines the obligations, privileges and rights of persons who seek access to, and who wish to swim at these beaches. It will also allow for property owners to arrive at a clearly stated position as to their rights and obligations in guarding and protecting their private property.

I need not go any further than that in my introduction, but before I sit down I would like to say that it is my understanding that the public's right to the beaches, and

use of the beach, has been set down in a Law called The Prescription Law, which dates back to 1882. It had been brought to the forefront as far back as 1955 when our forefathers, at the beginning of development along the Seven Mile Beach, saw the necessity to clearly state and define the rights of the Caymanian people on this issue. I will now leave it to the Government to set the matter straight for all concerned. Thank you.

The Speaker: The Third Elected Member for West Bay.

(10.45 AM)

Mr. John D. Jefferson, Jr: Thank you, Madam Speaker.

I rise to offer my support on this very important Private Member's Motion. As a matter of fact, the Fourth Elected Member for West Bay, and I, were so concerned that we had filed a similar motion subsequent to the one on the floor of the House. I am also concerned that this issue be addressed immediately.

One of the things that we have enjoyed in this country is social harmony, that is, everyone having the right and the ability to live in a very friendly and cordial atmosphere. What concerns me, especially with the new breed of investor that I see coming to our shores (and I have heard many comments that concern me), is that they are buying many of these properties for sale along the beaches and the attitude they come with is, "I own the property. You do not have a right to walk on it, or to swim near it." What concerns me is that pretty soon they will go to the extent where they will start fencing these properties along the beaches. I believe the day when that happens in this country, we will see the beginning of a serious social upheaval here.

As leaders we have to ensure that when people come here they know exactly what their rights are, and what is expected of them. Above everything else, I believe (as the First Elected Member from Bodden Town has said) that since for so many years we have enjoyed uninterrupted access to the beaches of these islands, that must continue as a right. I can see, for example, the concern regarding restricting access to the beach in front of the Governor's residence for security reasons. We all can respect and appreciate that. But it is in our best interest to address this issue immediately so that all parties know exactly what Government's position is.

I have recently seen many different interpretations given by very clever and crafty lawyers regarding the law; what the right of each property owner is. It is important for us to say once and for all what the correct official position of the Government is. So I do support this motion. Thank you.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Thank you, Madam Speaker. It is obvious that there is some confusion regarding this issue of usage of the beaches. We have

seen various letters in the press from prominent lawyers concerning this very subject. I believe that there was a 19th century law in existence which allowed the public to use the beaches up to the 'vegetation mark'. Subsequent to that, in the 1980s that was changed to the 'high water mark'. As a result of that, various investors bought property down to the high water mark and feel that this property is owned by them because they have paid for the property.

There are instances (as we have heard reported) where people using the beaches - not just above the high water mark (between the high water mark and the vegetation mark) but between the high water mark and the sea - are driven off the beaches. This is causing a great deal of confrontation, and at times even the police have had to be called in to resolve the matter. I saw a police report recently that may have been a bit confusing to various members of the public.

I do not believe that at this point in time we can say to investors that they have to give up property they own. On the other hand, it has been a traditional right that we have all been able to enjoy our beaches, in particular, to have public access to them. I have various suggestions which I have made to Government. The issue certainly needs to be discussed and resolved. Thank you.

The Speaker: The Fourth Elected Member for West Bay.

Mr. D. Dalmain Ebanks: Thank you, Madam Speaker.

I rise to give my support to this motion because I feel it is a serious matter as it is now before the Government.

The beaches on these islands are a part of our heritage. They were enjoyed by our forefathers. I remember walking along the beach myself, and nobody stopped me (of course at that time there were no developments there), however, it was a known fact that the water mark on the beach was to the vegetation mark. I understand that it has been moved down to the high water mark, but I do not feel that is fair because it will cause contention.

The people enjoy the beaches for walking, not only for swimming. For somebody to tell you that you cannot walk on your own beach... it would be as the Calypso song says, "This beach is mine."

I give the Government this advice: Try to straighten out this matter as quickly as possible. Thank you.

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: Madam Speaker, the use of beaches in this country has always been clear to me. In the recent rumblings concerning the use of the beach, the police, on behalf of the Government, made quite a clear statement about it. They made it quite clear that the public can use the beach.

The Prescription Law supersedes any Regulation in regard to the use of beach. That Prescription Law has

been what has been governing the use of beaches, even though Regulations have been changed for various reasons. Nevertheless, no one can say that they do not know how the beaches have been used in this country. Ever since we had a population the beaches have been used for various reasons, recreational and otherwise. The Prescription Law, as one Member noted, goes back to the 1800s. So it is over 100 years old. When anyone says that we have had the right for 20 years... we have had it, as I said, from the time we had a population. We have always been using the beaches.

Any person who comes here as a developer, or as a retiree, whatever, and wants to make this his home, must understand that if he builds next to a road he is going to hear noise. If people go and build next to the beach, they are going to have people using the beach. If I went to the beach I certainly would take cognisance of anyone's home next to the beach. For instance, growing up as a child in West Bay, I would walk the entire beach. But when I got to the Governor's residence (the Administrator's residence as it was called then) I would go up and walk the main road. We would not even go across his house on the beach, out of respect. Of course, other people walked there, but there were no nuisances created. We respected the privacy of others.

Nobody should expect to go in someone's swimming pool, but certainly all the land between that fence and the beach has been used from time immemorial. Certainly, this Government is not going to tolerate anyone who thinks that he has some rights now that he did not have before. We are not going to tolerate it, at least this Member of Executive Council is not going to tolerate it.

The Police made this quite clear in the *Caymanian Compass* of Thursday, 8th of August. I quote: "**The Royal Cayman Islands Police would like to remind the beach-front residents that the public has the right to use the beach for recreation and attempts to remove them from the beach could, in certain circumstances, amount to a criminal offence.**". It goes on to say: "**It has been noted by Police that the public have this right to use the beach, even though the 1987 Land Survey Regulations now show survey lines for private property as extending to the high water mark. Those Regulations do not supersede the Prescription Law, which gives the public use of the beach for recreation and bathing between the high water mark and the vegetation line.**".

So any lawyer, foreign or Caymanian, for his own use or for the use of his clients, had better realise the kind of social problems they could be creating for a few dollars.

I say to one and all that they had better heed this Police announcement. We are not going to tolerate any obstruction of the rights of our people. We only have to look around the region; we know that other countries have had that problem and it has caused social problems. In Cayman, we have lived together (expatriates and Caymanians)... if he came from the moon he was welcomed in our islands. I am not expecting that to

change; we want it to continue. Anyone feeling otherwise better understand that we are standing behind what is in the Prescription Law and what the Police have said.

Thank you, Madam Speaker.

The Speaker: The Honourable Temporary Second Official Member.

Hon. Ivor Archie: Thank you, Madam Speaker.

I rise in the hope that I can make a short statement that might help to clarify the Law in relation to this matter. There is more than one concept that is involved in this issue. One of the difficulties that has arisen is that "beach" is not defined in the Prescription Law. There are two concepts: the sea shore or foreshore (which is that land lying between the high water mark and the sea or the low water mark). There is "beach" which would include the foreshore, but can extend land-ward beyond the high water mark and will include anything that is continuous with the foreshore until it is interrupted by the vegetation or a road or some similar structure.

Regulation 28 of the Land Survey Regulations which was referred to earlier indicates that "**where any parcel of land is bounded by the sea, the seaward boundary is the high water mark**", and this appears to be in accordance with the common law. What that means is that the boundaries of private land may include a part of the beach. But at common law, that part of the beach which lies between the high water mark and the sea is Crown land and, the public has traditionally enjoyed the free use of that land. No private individual has the right to exclude anyone from Crown land. Notwithstanding the fact that the boundaries of private land may include the part of the beach above the high water mark, the public under the Prescription Law can acquire right to use that part of the beach for fishing, purposes incidental thereto, for bathing and for recreation; once it has enjoyed that uninterrupted use for a period of 20 years. Once this right is acquired it is indefeasible. In other words, a subsequent purchaser of the land will take title to the land subject to the right of the public to use as aforesaid. Similarly, the public by long user can acquire a prescriptive right of access to the beach over a road, track or pathway which passes over any adjacent or adjoining land.

Madam Speaker, if anyone seeks to dispute that right or any dispute arises in relation to a particular parcel of land, what the Prescription Law provides is that any person concerned in such a dispute can take the matter to the Grand Court for a final and definitive determination. I hope that will serve to clarify the issue. Thank you.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Thank you, Madam Speaker.

Madam Speaker, as the seconder of this motion I certainly do support the resolve, and the request that is made therein, that the Government make a clear and

unequivocal statement regarding access to the use of beaches by the public. It is good to hear that at least one Minister has stated his views quite clearly regarding the matter of beach access.

These islands are developing at a rapid rate, and we find that stupefyingly large sums of money are being paid to own beachfront property. It has become something of "Cayman gold", and it is in direct contrast to the way it was viewed by our forefathers. The land in the interior was seen as being more valuable, simply from the fact that you could cultivate it. The beach was not as fertile, and was largely used for the purpose of fishing. The situation now is that the property on the beaches is much more valuable.

There are many islands in the Caribbean that have experienced serious problems with persons who have bought beach property and have gone out of their way to deny access to the indigenous people. In fact, a few years ago a very popular calypso song was produced by a Barbadian, and the title of it was "Jack Don't Want Me to Bathe on My Beach." It came about as a result of a major issue in Barbados over denial to the indigenous populace using the beaches. Fortunately for us, our forefathers saw what was coming and in 1955 they put in place a Law which guaranteed our right to access the beach.

It is interesting to note that the Prescription Law actually existed since the 25th of February, 1882. When the Cayman Islands adopted the Prescription Law, Jamaica also brought that Law into effect. I see that in Chapter 304 (Law 65 of 1882) the Prescription Law took effect the same time in Cayman. Obviously we are reaching a point where there are persons who will challenge the rights of Caymanians (and other people visiting the country) to use the beach, or else there would not have been the need for the Police to remind beach owners and the public what is prescribed under the Prescription Law.

I must say that I am very pleased to see the quick response of the Police. I think there were about three occasions when the Police made the statement, and made it again because of this particular matter of beach use. Enforcing this Law speaks well of the Police.

There have also been letters from two attorneys-at-law regarding this matter. One clearly gets the impression that one lawyer was saying that there are some beaches to which the Prescription Law applies. Certainly, that was what I understood from it. Indeed, in this particular letter the lawyer was saying that the Government should make a clear statement as to which beaches such access is allowed.

The other letter by another attorney (namely, Mr. Steve McField) was more specific in its argument that the Law did not apply to some beaches, but to *all* beaches in the Cayman Islands. I would certainly want to believe that the beaches of Little Cayman and Cayman Brac were not excluded, since they are a part of the Cayman Islands.

There is a section of the Law, section 304, subsection (4), that I would like to read because it seems to me

to be very explicit, as if the people who drafted it wished there to be no mistake whatsoever. It reads: "**When any beach has been used by the public or any class of the public for fishing, or for purposes incidental to fishing, or for bathing or recreation, and any road, track or pathway passing over any land adjoining or adjacent to such beach has been used by the public or any class of the public as a means of access to such beach without interruption for the full period of twenty years, the public shall, subject to the provisos hereinafter contained, have the absolute and indefeasible right to use such beach, land, road, track or pathway, as aforesaid, unless it shall appear that the same was enjoyed by some consent or agreement expressly made or given for that purpose by deed or writing.**". That makes the situation very clear as to what our forefathers intended in this Law regarding people using the beaches in the Cayman Islands.

It "shall be" the Law says, an "indefeasible right." I looked up the meaning of the word 'indefeasible', and it is shown in the dictionary as an adjective. In Law it means, not liable to be annulled or forfeited. It made the point that the person who purchases that land needs to clearly understand that they are purchasing land which falls under the Prescription Law and they must abide by that Law.

It is very timely that this should come to the forefront, and that persons who pay very large sums of money to purchase the beaches here in the Cayman Islands should understand that it is not as it perhaps is in some other islands (or perhaps on the mainland of some other countries), it is different; and the people (the residents) of the Cayman Islands have the right of access to the beaches, not to abuse them, not to try to take advantage of buildings or structures that persons may have built on them. The particular parts of the beach were described quite clearly by the Attorney-General when he spoke on it. This needs to be very clearly understood to avoid any problems now or in the future.

I am very happy to hear the response from all the Members who have spoken, to know that we all share and recognise this particular part of our culture, and none of us is prepared to see that altered in any way.

Hon. W. McKeeva Bush: Hear, hear!

Mr. Gilbert A. McLean: I do not know what has happened to some of the signs showing access to swim areas along the Seven Mile Beach. It may be a good time to determine where they were and replace them, not only on the Seven Mile Beach, but throughout the islands. It would be wise for Government to mark clearly all access to swim areas now.

Madam Speaker, I support this Motion because it is seeking to do the right thing: we are ensuring that our culture is not taken from us, that the traditions our forefathers left for us are being followed, and that future generations will indeed be proud of us for taking the stance we have on this issue. Thank you.

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker.

Private Member's Motion No. 9/96 calls on the Government to make a clear statement as to what the right of access to beaches is. I would like to say that my colleague has done an excellent job in explaining this. Very little needs to be done, as it is quite clearly stated in the Laws he cited.

I would like to point out that it was a government of which I was a part some years ago, that made sure that public access was identified and defined, especially on the Seven Mile Beach. One only needs to look around, especially at Easter time, to see exactly what our people have been used to for many years, that is to say, the full use of the beaches around the Cayman Islands. I would venture to bet that all areas of our beaches, even the shorelines of Grand Cayman, have been used by the public at one time or the other.

I am aware of the concerns which Members have put forward today. I believe with all of the development taking place in the various districts, probably each district has had a problem at some time or the other with beach access. I recall several problems with developers on the Seven Mile Beach. I recall a problem in the district of Bodden Town where persons were driven away from the beach. I personally visited that site.

I recall that in recent times a developer in my district tried to remove a footpath that had been there from the time I can recall (and that is many moons ago). It was the only access to that part of the island. However, as has been pointed out, it is quite clear that if there is a dispute, the recourse is the Grand Court. I think we have to depend on what is laid down in the Law when this matter comes about to have it corrected.

I do not think that anybody needs more to work with than what is here in the Law. What we need at this point in time is to get this message to the ears of the developers in this country so that they know what to expect when they are developing. It seems as if a lot of them believe that once they have purchased that section they have purchased as far as they can see over the waters. Perhaps it is a civil matter through the Planning Department. At least it is my opinion that it would be a good place to start, so that each developer has something in his licence that identifies specifically what he will occupy, and along with that what the Laws of this country state.

Madam Speaker, I am pleased with the statement rendered on behalf of the Government. I hope and trust that this too will reach the ears of the developers in this country. I make an appeal to developers who come to our shores. I trust that each one of them will see, along with us, that we have been here; and that we need them, but we also need them to work along with our people. Thank you.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Thank you, Madam Speaker.

This Motion calls for a statement by Government regarding access to use of beaches by the public. I am very happy to endorse the statement made by the Honourable Attorney-General.

The importance of beaches and right of access is one that has always been important to our people. As the last speaker (the Honourable Minister for Agriculture) mentioned, the Unity Team Government of 1976 to 1984 spearheaded this by putting sections in the Development and Planning Law which required beach access to be left where there were parcels of land, I think exceeding 200 linear feet, on the beach. The Government has clearly marked these accesses, and as one drives along the West Bay Road (and the Law related to the West Bay beach area at that time when it was being developed) one will see these blue or green signs saying "Beach Access". It is only a pedestrian right-of-way, it is not a vehicular one. But this gives access to the beach and to the high water mark and areas below.

As the Honourable Attorney-General has pointed out, in applying the balance of the common law, especially the Prescription Law, this is a question of fact as to users beyond the 20 year period, and once vested it is indefeasible. It is important that we preserve sufficient beaches for Caymanians and residents to have access and to also ensure that as future development arises the proper beach accesses remain.

The present public beach is one that I, along with the Jaycees (at the time), spent a lot of time and effort on, and we granted a licence to them so that they could develop it. This was subsequently turned over to the Leo Club which now carries on, and does a good job with it.

When we look at the royalty that was being paid under dredging rights, which was practically nothing some 12 years ago, in the vicinity of the Rum Point area we got three acres of land there. More than that, there are other areas of public land which the Government reserves for access, not necessarily to the beach, but to the water, because some of these accesses are in the North Sound. It is unfortunate that one of the largest pieces of these properties at SafeHaven was swapped by the last Government for a piece of land somewhere in the middle of Frank Sound. It was quite large in acreage, extremely valuable land. That, unfortunately, is gone.

During the Land Adjudication stage (of which I was Assistant and/or Attorney-General) whenever beach rights, fishing, access for swimming and Government land in general came up, even though I was not then a civil servant I did everything I could and actually, on several occasions, property was awarded to the Government on the basis of my urging the Land Adjudicators to do so. Very substantial pieces of land, in fact, in all three of the islands were awarded, because I practised law in those days and represented probably half of the cases that arose during those early years.

We are very aware (the whole Legislature) of the importance of these rights to beach access. We have to

ensure that they continue and we will undertake to continue to do everything we can to protect and extend those rights. I think in time we must continue to buy property where it is in the interest of the public for recreation. I support that policy. I am sure that the National Team will continue that policy and see that the public gets the right it is entitled to under the Law. Thank you.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Thank you, Madam Speaker.

I rise also to give support to this motion. Much has been said about it, and I know, without a doubt, that we will endorse what has been said. I was very impressed by the explanation given by the Honourable Attorney-General. This should leave no doubt in the minds of developers as to where we stand on this issue.

I remember in recent times in the district of Bodden Town (and specifically in the area of Spotts) there were a lot of problems because people could not get access to the stretch of beach there. With the support of my National Team colleagues and other Members of this Legislative Assembly, we were able to purchase a piece of land directly behind the Spotts cemetery, which I would venture to say is now one of the most popular areas next to Seven Mile Beach, judging from the amount of cars I see parked there. I would like to take this opportunity to thank the Honourable Minister for Agriculture, Environment, Communications and Works for his efforts in helping us get this sorted out.

I remember also that after this Government took over in 1992, there was a piece of land in the Pease Bay area where electronic surveillance was put in and people jogging in the evenings were harassed and told that they could not do so. But we dealt with the matter and eventually sorted it out. I would ask the developers to respect our rights, as Caymanians, to these areas that have been here from the time most of us can remember. The laws which have been on our books for over one hundred years govern our rights.

I think the message that has come forward from this Legislative Assembly should leave no doubt in anyone's mind as to where we now stand on this very important issue as a Government. As has been said, there have been accesses provided for people. I am sure that as we continue development, these accesses will be better marked. I would urge those who are responsible to make more markings for beach access, especially on the eastern part of the island.

Thank you.

The Speaker: Proceedings will be suspended for 15 minutes.

PROCEEDINGS SUSPENDED AT 11.40 PM

PROCEEDINGS RESUMED AT 12.14 PM

The Speaker: Please be seated.

If no one else wishes to continue the debate, I would ask the First Elected Member for Bodden Town if he would like to exercise his right of reply.

Mr. Roy Bodden: Thank you, Madam Speaker.

I have listened to the contributions made by Members from both sides of the House, and it seems that it is safe to conclude that if the Motion does not have total unanimity, it has near unanimity.

Before I sit down, there are a few points which I think are still left to be made. I first wish to reassure property owners involved that what is asked for in the Motion is in no way threatening, or intended to be any infringement of their rights of ownership as far as their private properties are concerned. In no way are we advocating any encroachment; rather, we are seeking an understanding and asking for their cooperation in countenancing and accommodating the rights and privileges to which our people have been accustomed to for generations.

I noticed too, that one of the letters in the media was written rather tongue-in-cheek, but the author alluded to the point that since the beaches were public, then perhaps the public should come and help him clear the litter off that section of beach in front of his property. I wish to make the point that Caymanians must always be cognisant of their obligations when they use, not only beach property, but other properties to which the public must have access. It must be left in a litter-free state. So, while we are advocating accommodating and understanding, we are also reminding our people that when they are making use of these properties, that as far as is possible they leave the area litter free. That may mean removing litter or obstruction which was not placed by the user. It would help to promote the understanding.

The point also needs to be made (although I heard my colleague, the seconder, make reference to this) that this Motion applies to all beaches, including those in Cayman Brac and Little Cayman.

I took note of what the Honourable Acting Attorney-General said. I would crave the Chair's indulgence in reading the Motion. It reads: "**BE IT RESOLVED that the Government make a clear and unequivocal statement regarding access to and use of beaches by the public.**". I interpret this to mean that a specific statement be made. I believe that the Honourable Attorney-General gave an able reply, but in the past I noticed that when the Government wished to make statements they crafted something and read it from the halls of this Chamber (if we were in session or otherwise) and thereby caused it to be read over the radio, television, or to appear in printed media. Certainly, in this case I would expect no less, and it seems that any support of this Motion implies an effort in that direction. Such a statement could define publicly their obligation, as I mentioned, in terms of leaving the property litter free.

I would also hope that the Government would see fit to erect, where necessary, the proper access signs demarcating a swimming area so that there be no ambigui-

ties. It is important that we approach it in a systematic way, because this matter should not be allowed to fester.

The final point that I wish to make is for those people who would seem to be clever and crafty. There is a lesson to be learned from what has happened here this morning in that although we are in a politically-warm time (being an election year) when it comes to the rights of our people, there is really no division between us, and we are prepared to close ranks. While I would not normally do so on other occasions, I will gladly hold hands with my good colleague, the Minister for Youth, to protect the rights of our people.

So let it be clear...

Hon. W. McKeeva Bush: (*inaudible interjection*)

Mr. Roy Bodden: Madam Speaker, to avoid any jealousy, I will gladly hold hands with my colleague, the Minister for Education and Planning on one side, and the Minister for Youth on the other, to protect the rights of our people. So I would hope that no one out there believes that there is any rift among us as far as this issue and these kinds of issues are concerned. I believe I have said that before.

So with that note of caution, I thank those who support the Motion, and I beseech the Government to consider making a public statement. Quite frankly, I would have been elated had it been read from the Legislative Assembly this morning. But I will be reasonable and hope that it can be forthcoming in the very near future.

The Speaker: The question is Private Member's Motion No. 9/96: "BE IT RESOLVED that the Government make a clear and unequivocal statement regarding access to and use of beaches by the public."

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

AYES.

The Speaker: The Ayes have it. The Motion has been duly passed.

AGREED: PRIVATE MEMBER'S MOTION NO. 9/96 UNANIMOUSLY PASSED.

ANNOUNCEMENT BY THE SPEAKER

The Speaker: We come to the end of the business for this morning. Before I ask for the adjournment, I need to state that the Select Committee on Elections Review, which met yesterday, was adjourned until 1.45 p.m. I understand that the Business Committee wishes to meet, and, accordingly, I am asking Members to note this.

The motion for the adjournment will be moved by the Honourable Minister for Education and Planning

ADJOURNMENT

Hon. Truman M. Bodden: Madam Speaker, with the consent of all the Members of the House, I move the adjournment of this Honourable House until next week, Thursday, 12th of September, at 10.00 AM.

The Speaker: The question is that the House do now adjourn until Thursday morning at 10 o'clock, the 12th of September.

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

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until Thursday morning, 12th September at 10 o'clock.

AT 12.25 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM THURSDAY, 12TH SEPTEMBER, 1996.

**EDITED
THURSDAY
12TH SEPTEMBER, 1996
10. 20 AM**

The Speaker: I will ask the First Elected Member for Cayman Brac and Little Cayman to say prayers.

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 II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated. Proceedings are resumed. Presentation of Papers and of Reports.

The Financial Statement of the Port Authority of the Cayman Islands for the year ended 31st December, 1995 and 1994. The Honourable Minister for Tourism, Aviation and Commerce.

**PRESENTATION OF
PAPERS AND OF REPORTS**

**FINANCIAL STATEMENT OF THE PORT AUTHORITY
OF THE CAYMAN ISLANDS FOR THE YEAR ENDED
31ST DECEMBER, 1995 AND 1994**

Hon. Thomas C. Jefferson: Thank you, Madam Speaker.

I beg to lay on the Table of this Honourable House, the Financial Statement of the Port Authority of the Cayman Islands for the year ended 31st December, 1995 and 1994.

The Speaker: So Ordered.

The Honourable Minister for Tourism, Aviation and Commerce.

Hon. Thomas C. Jefferson: Madam Speaker, the financial position of the Port Authority at the end of December 1995, shows a total income for the year of \$6.4 million, compared to \$5.6 million in 1994. The Operating Expenses of the Port Authority for 1995 was \$4.4 million compared to \$4.2 million in 1994. Therefore, the net income for 1995 is \$1.9 million in comparison to \$1.4 million in 1994.

I believe that the management and Board of the Port Authority deserve congratulations for the way in which the operations of that Authority have been run over the years, but most particularly, 1994 and 1995.

However, the operation in Cayman Brac continues to be one where losses are produced. The income for 1995 is approximately \$212,000 compared to the operating expense of \$413,000 (or a loss of approximately \$201,000, which is assumed by the Grand Cayman operation), and the figure which I quoted earlier, \$1.9 million takes into account that loss.

I record my appreciation to the members of the Board for their valuable input in policy decisions and in the operation of the Port Authority.

Thank you

The Speaker: The Report of the Standing Business Committee. The Honourable Minister for Education and Planning, chairman of the Committee.

**REPORT OF THE STANDING BUSINESS COMMITTEE
(Meetings held 14th June, 3rd, 10th & 11th July, 1996)**

Hon. Truman M. Boddin: Thank you, Madam Speaker.

I beg to lay on the Table of the Honourable House the Report of the Standing Business Committee for the meetings 14th of June, 3rd, 10th, and 11 of July, 1996.

The Speaker: So ordered. The Honourable Minister for Education and Planning

Hon. Truman M. Boddin: Madam Speaker, these are self-explanatory. The Committee meets, and in conjunction with you and other Members fixes the business of the House. It has done so, normally meeting on the average of about four times per meeting. Thank you.

The Speaker: Thank you. Continuing with the Orders of the day, Questions to Honourable Members and Ministers. Question No. 137 standing in the name of the Third Elected Member for George Town.

QUESTIONS TO HONOURABLE MEMBERS/MINISTERS

QUESTION NO. 137

No. 137: Mrs. Berna L. Thompson Murphy asked the Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture to give a comparison of student loans granted from 1995 to the present, giving annual details.

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: From the inception of the Student Loan Scheme in 1987 to the end of 1992, there was an approved value of \$1.4 million.

For the years 1993 until August of 1996, there have been 183 student loans approved, including 21 presently being processed, for a value of \$3.5 million.

SUPPLEMENTARY

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Could the Honourable Minister say if the repayments of these loans are behind or if they are on schedule?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, the scheme is in good standing.

The Speaker: The next question is No. 138 standing in the name of the Third Elected Member for George Town.

QUESTION NO. 138

No. 138: Mrs. Berna L. Thompson Murphy asked the Honourable Minister for Agriculture, Environment, Communications and Works what is the status of the civic centre for George Town.

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker. The answer: Government has identified the need for a civic centre in George Town, where no such facility currently exists. A site survey has been carried out and a suitable location identified for the facility. It is proposed to proceed with the acquisition of the site, once valuations have been carried out and provisions made for funding the acquisition. The site will be big enough to

accommodate such other community projects as a public library and an all-amenities park.

SUPPLEMENTARY

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. Could the Honourable Minister say if the funding will take place in 1996, or will this be in early 1997?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: As no funds were put in the 1996 Budget for the project, I would assume that it will go into the 1997 Budget.

The Speaker: The next question is No. 139 standing in the name of the Third Elected Member for George Town.

QUESTION NO. 139

No. 139: Mrs. Berna L. Thompson Murphy asked the Honourable Minister for Agriculture, Environment, Communications and Works what parks have been created in the George Town area, and if more are planned.

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

DEFERMENT OF QUESTION NO. 139 Standing Order 23(5)

Hon. John B. McLean: Madam Speaker, the question is under my name, but it has to be answered by the Minister for Community Development. He has asked that it be put down for a later date because he does not have the answer at this time.

The Speaker: The question is that the answer to question No. 139 be deferred until a later sitting. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The question is accordingly deferred until a later sitting.

AGREED: QUESTION NO. 139 DEFERRED.

The Speaker: The next question is No. 140 standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 140

No. 140: Mr. Gilbert A. McLean asked the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation if the bed accommodation at the George Town Hospital is meeting the demand.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: I believe it is well-known that one of the obvious reasons for building a new 128-bed hospital is that for many years now there has been an urgent need for more bed space at the hospital. The situation is most critical in the General Ward, Surgical Ward, and Obstetrics Ward. The bed space in the Paediatric Ward copes with the demand.

The overall bed space is such that the demands of emergency cases can be met, but on occasion this is at the expense of booked elective cases. Thus, patients who have a prior appointment for admission to General or Surgical Ward can, on occasion, have their admission affected by emergency, accident or illness cases which occur. Naturally this is frustrating to the affected patients. The situation will be completely remedied when the new hospital comes on stream.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Could the Honourable Minister say how soon facilities may be put in place to provide sufficient bed space for patients needing it and, if there are life-threatening situations occasionally, how are they dealt with?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: The first beds will be coming on stream approximately September 1997. Would the Member repeat the last part of the question?

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: How are life-threatening situations which demand bed space dealt with?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Redistribution of bed allocations whenever possible (that is, moving a patient into an area where there is bed space), cutting back on the number of elective surgery care cases booked, thereby not filling the beds; holding patients in the Emergency

Room until a bed becomes available in the required ward, and also asking families to cooperate by taking family members who are in hospital for social, rather than purely medical reasons, home.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Thank you, Madam Speaker. Would the Minister state clearly whether any emergencies are being turned away from the George Town Hospital?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Absolutely not, Madam Speaker.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Would the Honourable Minister tell us to what extent elective cases are being affected?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Occasionally once a week.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Would the Honourable Minister tell us the role that the Extended Care Unit plays in patient admission?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: The long-stay chronically sick patients would use the extended care unit.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: With the problems being experienced through a lack of bed space to service the demand of patients, could the Minister confirm that this is a direct result of the hospital being stopped - which would have been completed by this time?

The Speaker: That is soliciting an expression of opinion, and is not allowed.

Mr. Gilbert A. McLean: Could the Honourable Minister say if there have been any registered complaints regard-

ing patients who were re-scheduled for elective surgery or otherwise?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: As I have said previously, this does happen occasionally.

The Speaker: The next question is No. 141 standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 141

No. 141: Mr. Gilbert A. McLean asked the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation what was the total cost for air-ambulance service from January 1995 to date.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: The total cost for air-ambulance service from January 1995 to August 1996 was C\$488,807.56.

SUPPLEMENTARIES

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. Could the Honourable Minister say what possibility Government has of recouping some of this cost?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Most of this money will be added to the patients' bills and will be recouped. Financial Aid cases totalled approximately \$160,000 for 1995, and in the first eight months of this year, approximately \$127,000.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Could the Minister say how many cases this amount represents?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: I would prefer to give the Member a written answer on this supplementary.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Could the Minister tell the House what the cost per trip paid to the company that provide the service is?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: The baseline cost for an air ambulance is \$3,900. However, the price varies depending on what in-flight medics have to be on board, and that is dictated by the nature of the case.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Could the Minister say if Government has any arrangement with a particular company, or are there various companies providing this service? If they are local companies, can he say who they are?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: There is no formal arrangement.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Could the Minister say how, then, are air ambulances arranged for patients in the Cayman Islands if there is no formal arrangement, and does it affect the speed at which one can get an air ambulance?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: For many years there has been a service provided by Mrs. Marjorie Boddin of Executive Air (and this works well). She does all the arrangement; sorting out of visa and passport problems, getting the airports opened at night, etcetera, which allows the Health Services staff to be free to deal with the patient. She is the only one who provides this service.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Can the Minister say what predicted impact the new hospital will have on the necessity and the cost of air ambulance services to the United States and elsewhere?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: As the investigative services are developed, we anticipate that this will be reduced by half.

The Speaker: The next question is No. 142 standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 142

No. 142: Mr. Gilbert A. McLean asked the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation how is the management of the George Town Hospital set up to ensure medical supplies are available as needed.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Responsibility for the procurement, storage and distribution of medical supplies rests with the Materials Management Section. There are eight members of staff in this section and they report to the Health Services accountant who, I am proud to say, is a full member of the Chartered Institute of Purchasing and Supply in the United Kingdom. There are 1,153 medical supply items held on inventory. These supplies are normally ordered on an annual basis, based on the quantities recommended by a computer programme which keeps track of the usage of materials over the preceding 12 months. Items which are not kept in inventory (because there is no regular demand for them) are ordered on an "as required" basis. The orders for these are submitted at the request of the supervisor of the section using the items.

The task of storing and distributing medical supplies was made much easier and more economical by the opening of the new 10,000 sq. ft. Materials Management building on the hospital site earlier this year.

I must also point out that when our new hospital is completed, distribution of supplies will be all on one site which, of course, is in marked contrast to the Dr. Hortor Memorial project which would have necessitated supplies moving back and forth between the two sites.

SUPPLEMENTARIES

The Speaker: The Member for North Side.

Mrs. Edna M. Moyle: As the Minister referred in his answer to the marked contrast to the Dr. Hortor Memorial Hospital, could he give us a comparison of the size of the Materials Management building now proposed on the hospital site to that proposed for the Dr. Hortor Memorial Hospital?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: According to the 1992 Master Plan for the George Town Hospital (that is, the existing

one), medical stores would have been mainly stored at the new hospital. The square footage set out for that was 4,125 sq. ft. What amazes me is that even with 10,000 sq. ft. for the one we now provide, the space is speedily being filled and becoming very tight.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Honourable Minister state what type of security exists at this location?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: We have the security force on the hospital site and the building is kept locked at all times. The supervisor is there on all occasions.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Would the Minister tell the House if the information showing amounts taken from supplies in any given day is entered that same day into the computer so that the system is keeping a daily record of what is used?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Yes, Madam Speaker.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Is it the case that often some supplies run short due to slip-ups with this type of information being put into the computer?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: As I have said, the system is in place and there might be an occasion when this happens because we are still bringing the manpower up to par, these things may happen on occasion.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: The Minister has said that there are 1,153 medical items which are stocked and are normally replaced at the end of the year. Could the Minister say what happens to those supplies which have a shelf-life of less than 12 months?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: These items would be put to a Board of Condemnation and are destroyed once they reach expiration date.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Could the Minister say what provisions are made for reordering and restocking these supplies?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: The computer system that is in place will project when these supplies will run out and they will then be ordered accordingly.

The Speaker: The next question is No. 143 standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 143

No. 143: Mr. D. Kurt Tibbetts asked the Honourable Minister for Agriculture, Environment, Communications and Works if the Farmers' Market is presently operating from a solvent position.

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: The Farmers' Co-operative operates the Farmers' Market with assistance from Government in the form of an annual subsidy and occupies its current premises, also owned by Government, rent free.

With this assistance from Government, the market is presently able to meet its current and long-term financial obligations from revenues generated and with the use of an overdraft facility of \$100,000.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Could the Honourable Minister say if this overdraft facility is one which is guaranteed by the Government?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Madam Speaker, initially the overdraft facility was guaranteed by another member of the Co-op and I. In recent times it has been guaranteed by the Government of the Cayman Islands.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Does the Honourable Minister have any idea regarding sales at present, on a monthly basis compared to a year ago?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Madam Speaker, while I do not have the figures with me, the Farmers' Market is in an improved position at this time regarding sales as compared to last year.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: In the Honourable Minister's answer he has said that "...the Market is presently able to meet its current and long-term financial obligations." Could the Minister state what these obligations are?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker. Like any company, the Farmers' Market has certain obligations, such as electricity, water, and salaries for the farmers who sell their products, etcetera.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Madam Speaker, could the Minister address the long-term financial obligations, because I do not think what he mentioned are long term.

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Madam Speaker, the Farmers' Market (and the Co-op that operates it) has focused itself on something which we trust will take us into many years to come. The projections are to move into other areas with the Farmers' Market. I care not to mention them at this time.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Would the Honourable Minister state what the annual subsidy is from the Government?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Madam Speaker, I do not have that figure available.

The Speaker: The last supplementary. The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Could the Honourable Minister state if there is any loan that has been given by the Government which the Farmers' Market still owes?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Madam Speaker, I pointed out that the Government constructed the building and gave it for use - free. We also offer the subsidy and we guarantee the overdraft. That, as far as I know, are the finances.

The Speaker: The next question is No. 144 standing in the name of the Fourth Elected Member for West Bay.

QUESTION NO. 144

No. 144: Mr. D. Dalmain Ebanks asked the Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture what progress has Government made in providing or upgrading sporting facilities and programmes during the past four years.

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, the answer: Since assuming Office in late 1992, Government has:

- (1) Upgraded the George Town Sports Complex, now called the Truman Bodden Sports Complex by providing: -
 - (a) rubberised athletic tract (mando track)
 - (b) covered seating to accommodate approximately 3,500 patrons, with adequate toilet facilities for players, officials and patrons,
 - (c) built a full-size football field,
 - (d) changing rooms,
 - (e) concession areas, and
 - (f) VIP lounge.
- (2) Upgraded the Ed Bush Playing Field by providing partly covered seating accommodation, complete with changing rooms for players and officials, concession area and adequate toilet facilities for players, officials and patrons.

- (3) Constructed a wicket for cricket in West Bay with a properly grassed outfield. It is proposed to build a pavilion and floodlight the field for night cricket.
- (4) Constructed a softball/baseball diamond in West Bay.
- (5) Assisted with funding (joint funding) to develop the Scholars Recreation Park.
- (6) Provided funding for several churches to build hard courts throughout the island.
- (7) Started the construction of a playing field for Bodden Town.
- (8) Built a playing field in East End with covered seating accommodation.
- (9) Upgraded the North Side, Old Man Bay, playing fields.
- (10) Propose to construct neighbourhood parks in George Town, West Bay, Bodden Town, East End, North Side and Frank Sound.
- (11) Assisted with the development of a park in Cayman Brac.
- (12) Currently refurbishing the Annex Field.
- (13) Provided a synthetic floor at the Lion's Centre to facilitate court games, particularly basketball, netball and volleyball.

Prior to assuming Office as Minister for Sports, the facilities were described by a player from a visiting team as being the "worst in the world." I am pleased to say that our facilities are now described as being among the best in the Caribbean.

To our critics who say that we are spending too much on sports, please be advised that the requirement for recreation is 50 sq. ft. per member of population and these recreational areas should be dispersed throughout the country and not concentrated in one area.

This does not include stadiums which are not used for recreation on a daily basis. Because of the quality of the facilities in the Cayman Islands, at present, we were able to host the following: (1) Western Caribbean Under-19 Basketball Championships; (2) SpikeFest Volleyball Tournament; (3) Taekwondo World Champions; (4) CARIFTA Games (Track and Field); (5) Qualifying leg of the Shell Caribbean Football Cup; and (6) Finals of the Umbro Shell Caribbean Football Tournament.

The Ministry is aware of the maintenance needs for our playing fields and parks. To date, we have purchased equipment and are currently examining our manpower needs.

As Members may be aware, we need someone with agronomy experience. The Agricultural Department, Vigoro Nursery and the Public Works Department are acting as our consultants. We hope to have a complete maintenance programme for our playing fields and parks in place in the new year, God willing.

Madam Speaker, while it is not in the question, I should say that we are now looking at property in Cayman Brac for a park in Spot Bay. This was requested by the First Elected Member for that island and Mrs. Julianna O'Connor. The Ministry is investigating that property.

SUPPLEMENTARIES

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker.

Could the Minister say if any individual from the Little League Organisation has approached the Ministry for assistance in developing their "Field of Dreams" site?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: Madam Speaker, I have had some discussions with Mr. Calhoun and other persons, including the Member asking the question. But I have not had any written proposals put to the Ministry as yet. I know of the need and the Government is willing and ready to assist wherever we can.

The Speaker: The Member for North Side.

Mrs. Edna M. Moyle: Thank you, Madam Speaker.

Could the Minister give some detail as to what upgrading has taken place at the Old Man Bay playing field up to the present time?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: Madam Speaker, we have purchased the needed property to upgrade the playing field. We have completed the required architectural drawing and work is intended to be started sometime this month.

The Speaker: The Third Elected Member for Bodden Town.

Miss Heather D. Bodden: Could the Minister say when it is expected that the Bodden Town playing field would be completed?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: Madam Speaker, as I understand the tendering process for the Bodden Town playing field should be completed on the 13th (that is tomorrow), and the first phase of the field is intended to be completed (which is the filling). The completion of part of the grounds should be done by the end of October, mid November.

The Speaker: It is now 11 o'clock. I would entertain a motion for the suspension of Standing Orders to complete Question Time. Would someone wish to move it?

The Member for North Side.

SUSPENSION OF STANDING ORDER (23(7) & (8))

Mrs. Edna M. Moyle: Madam Speaker, I so move.

The Speaker: Seconded? The Fourth Elected Member for West Bay.

Mr. D. Dalmain Ebanks: I wish to second the motion.

The Speaker: The question is that Standing Orders be suspended in order that questions be completed for today.

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

AYES.

The Speaker: The Ayes have it.

AGREED: STANDING ORDER 23(7) & (8) SUSPENDED.

The Speaker: Continuing with supplementaries on question No. 144. The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Could the Honourable Minister say how maintenance of the playing fields is currently handled?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: Madam Speaker, the maintenance is handled through a team of workers employed by the Sports Office.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Thank you, Madam Speaker.

Would the Minister say whether funds were vired from any other source in order to accomplish these projects that are detailed in the answer?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Thank you, Madam Speaker.

I do not have that information at present, but I think that most of the work was budgeted for and, if vired, virements from one sport project to the next. I could give the response in writing after some investigation.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

I wish to enquire of the Minister if there is a schedule of maintenance visits made by this team and, if so, how regularly do they visit the playing fields in the outlying districts?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, I understand that the team visits every playing field at least every other week.

The Speaker: The Member for North Side.

Mrs. Edna M. Moyle: Madam Speaker, I wonder if the Honourable Minister could say if the Sports Office has carried out any investigation in trying to find people in the districts to carry out the maintenance on the various playing fields?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, awhile ago I mentioned that we were investigating, and now are planning a full maintenance programme for all the parks and playing fields in the islands. Those things will be taken into consideration, but bearing in mind that in spending funds on these kind of facilities, proper equipment has to be purchased to make a proper playing field. For instance, we can no longer take an ordinary lawnmower and cut the grass on the playing field. That is the sort of ramification that anyone on the outside of Government has to take into consideration. It could be very costly.

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: Madam Speaker, I wonder if the Honourable Minister could say what additional sporting facilities are planned for West Bay, if any.

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, we are building a civic centre/hurricane shelter in West Bay. That facility will be made so that some indoor sports (such as boxing, basketball, netball) can be played. It is being built with that in mind. In fact, all of the civic centres, including the one for George Town will be built to be able to accommodate those games.

As far as West Bay is concerned, we are looking at one more court (a netball court) in the Mount Pleasant area.

The Speaker: The Third Elected Member for West Bay.

Mr. D. Dalmain Ebanks: I wonder if the Minister could say what the projected completion date is for the civic centre/hurricane shelter he mentioned?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: The completion date is scheduled for at least May 1997 - God willing.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. Could the Honourable Minister give the status of the Nyah Sporting Club field which they have volunteered to take over and develop?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, I understand that the club is carrying on its fund-raising efforts to get assistance to help develop that property. I know that I am trying to assist them with some land reclamation there. I do not have any other details on that.

The Speaker: The Second Elected Member for George Town. This seems to be a period today when everybody is getting some exercise. I am glad to see that.

Dr. Stephenson A. Tomlinson: Madam Speaker, would the Minister say whether the Government has any current plans to purchase land in the Spotts area for sports purposes?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Not at present. We have 38 acres that the Government has an agreement to purchase over a period of five years. We hope that that property is enough to take us into the new millennium.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Item (12) of the Honourable Minister's answer refers to the refurbishing of the Annex playing field. Could the Minister say when it will be completed, and if on completion the field will only be for use by the George Town Primary School students, or whether it will be able to host soccer games?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, I think everyone knows that that property is under the control of the Education Department because of the George Town Primary School. However, every person should also know that that was one of the first fields that was developed in George Town and became, as such, a community field and it has been used over the years as such.

The field is like the West Bay Primary School field, we have to continue to use it, but we make arrangements with the Education Department for its use. That is the same arrangement we are trying to make with the Annex playing field. I should say that the Minister for Education and Planning and the Third and Second Elected Members for George Town have discussed with us the need for other playing fields in George Town. I do not want to leave out my friend, the Member asking the question, because at some stage he mentioned the need also.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: The Honourable Minister in his detailed answer referred to "more playing fields in the George Town district," is that specifically to accommodate the teams that play soccer, or are those playing fields for multi-purpose use?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, in the development of new playing fields we are planning to accommodate several sports that can be played in one area. As I have said, there is a need in George Town, because there are many clubs being formed (especially

football teams), and as more and more children get involved in sports, we are going to have to spend the funds to build these fields. I hope that I do not hear from this House that we are spending too much money on sports.

The Speaker: The last supplementary. The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Is the Minister saying that there will be a concerted effort to identify various locations in the district of George Town in order to acquire these playing fields and have them ready for use?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, I would just change his words "will be" to "has been." We have been doing that over the last two years, but more so in the last year by the three Members from the National Team.

The Speaker: The next question is No. 145, standing in the name of the Fourth Elected Member for West Bay.

QUESTION NO. 145

No. 145: Mr. D. Dalmain Ebanks asked the Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture what programmes have been implemented to assist young people who participate in sporting activities.

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Sports was used by this Government during the past four years as a catalyst for social and human development, as well as a means of promoting good health. During the last four years several initiatives were introduced to assist the young people of the Cayman Islands.

Through the Sports Office several community sports programmes were introduced. Apart from the coaching of specific disciplines of sports, there have been camps; inter-district competitions in the areas of basketball, netball, cricket and football. Government continues to emphasise the importance of swimming as a survival skill and recreation, and has approximately 700 children passing through the programme annually.

In addition, each National Association is mandated to have a youth programme to cater to the young people in their respective sport. Government assists these National Associations with an annual grant to promote these programmes for our young people.

It should be noted that there were no organised football camps in 1991 and 1992. However, these were re-organised from 1993. This year camps were organised

in basketball, netball, cricket, football and swimming. In football, over 400 children attended camps during this Summer; in basketball, over 250; in cricket, 80; in swimming, 150. Netball camps were held in each district.

Government also introduced a "time release scheme." This is a programme through which people working in other Department/Ministries and the private sector were released by their employer/Heads of Departments to assist the Sports Office with specific programmes, including the After-School Programme. I would like to take this opportunity to thank all those private sector managers as well as Heads of Departments who released their employees to assist the Ministry.

I would also like to pay public tribute to the many volunteers who have been assisting with the various programmes. Because of their assistance Government has realised substantial savings in that if we had to pay for all the services we needed the cost would have been astronomical.

Another initiative by Government was a liaison with Churches and other community groups to promote "After-School Programmes." Government realised that a large number of children were not supervised between the hours of 3 p.m., when most schools are over, and 5 p.m., when most parents usually finish work. We have found that during this period of time a large number of young people of school age were prone to get into trouble. Through these After-School Programmes wholesome, worthwhile activities, including sports, were taught to our children. Several Churches and community groups are involved in running After-School Programmes and Government assisted these organisations with an annual grant.

Government realises that it has a social responsibility to assist in providing recreation for the population. Government, therefore, assisted approximately 34 national sporting associations with their programmes by providing grants and other assistance annually.

During the last four years Government has employed coaches in the areas of netball, basketball, cricket, football, track and field, and swimming. By way of motivation, Government has assisted such as the Northern Caribbean Basketball Under-19 Championships; Shell Caribbean Cup Football Finals; CARIFTA, and hosted an English Under-19 team; the Caribbean Squash Championship; and the World Taekwondo Championships. Because of these broad based programmes our youngsters were successful in international sporting competitions and obtained medals and international recognition in the areas of swimming, track and field athletics, basketball and squash. The young people are excellent ambassadors of the Cayman Islands. Government proposes to continue to promote such programmes and initiatives.

In this regard, I should mention that the Cayman Islands shall be hosting the Commonwealth Youth Exchange programme and young people from several Commonwealth countries shall be in the Cayman Islands promoting goodwill and better friendship. Sporting activities and studies on sports shall be undertaken as part of

this programme. This kind of interaction will benefit our young people immensely.

Sport Schools: 1996 was a tremendous success. The children skilled in the areas of basketball, netball, football and cricket were selected (25 from each sport) and were given special training in skilled work and other areas to make them better prepared to represent the country. In the non-sporting areas, prominent people in the districts were brought in to lecture the students. Some of the areas covered were: (1) What it means to represent one's country; (2) Time Management; (3) Sports and Education; and (4) Recognition, treatment and prevention of injuries.

This type of school shall be held annually and is the first step in the development of a "Centre of Excellence."

Scholarship: In recognition of the importance of sports as a vehicle for human development, government plans to award at least one scholarship annually to young people who have done well, both in sports and in their academic work. This year the scholarship was awarded to Mr. Dominique Powell.

I can say to the House that we have intention to assist at least two more young children this year. Further, we have been assisting the Domino League.

SUPPLEMENTARIES

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: In the Honourable Minister's answer he mentioned Government's assistance by way of sports grants. I wonder if he could say what was the budget provision for sports grants for 1996?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, we do not have that figure at the moment. But I will provide it to the Member in writing.

The Speaker: The next question is No. 146, standing in the name of the Fourth Elected Member for West Bay.

QUESTION NO. 146

No. 146: Mr. D. Dalmain Ebanks asked the Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture what sporting facilities have been upgraded in the districts over the last four years.

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: Madam Speaker, the answer: During the last four years Government has undertaken the upgrading of sport facilities in the following districts:

WEST BAY

(1) ED BUSH SPORTS COMPLEX

Partly covered seating accommodation was provided to seat approximately 2000 people. Toilet facilities were improved, change rooms added and a concession area provided. Landscaping and car park facilities were provided. This facility was officially opened by Her Majesty Queen Elizabeth II in February, 1994.

(2) SOFTBALL DIAMOND

Softball diamond was improved, fenced and proper lighting put in to accommodate playing games at night.

(3) CRICKET

A cricket pitch was built and the accompanying outfield prepared. The building of a Pavilion shall be started shortly. [I should say that this is not a West Bay project as such. This is a project for the Cayman Islands, because the Cayman Islands' Cricket Association had no other property and we allowed them to use that facility].

(4) SCHOLARS INTERNATIONAL PARK

A park to be called the "Scholars Park" is being developed as part of this complex. It should be noted that this is a joint effort between Scholars International Sports Club and Government. Scholars Sports Club is investing over \$100,000 in this project. On behalf of the Government and the people of West Bay, I would like to take this opportunity to sincerely thank the members of Scholars International.

(5) PARK - MT. PLEASANT

A small hard court is being built in Mount Pleasant by the community with the assistance of Government and should be completed by the end of September, 1996.

(6) WEST BAY CIVIC CENTRE

When the Civic Centre in West Bay is completed, apart from being used as a Civic Centre [or hurricane shelter] it shall also be used for indoor sports, such as boxing, basketball, volleyball, netball, badminton etc.

GEORGE TOWN

(1) TRUMAN BODDEN SPORTS COMPLEX

In 1995, the Truman Bodden Sports Complex was developed; covered seating accommodation to seat three thousand people was provided. With accompanying change rooms, toilet facilities, concession areas, flood lighting, an eight lane rubberised "Mando" Athletic Track, and a full sized football field.

(2) GEORGE TOWN PRIMARY SCHOOL "ANNEX FIELD"

With the expansion of the George Town Primary School the "Annex" Field is temporary out of commission. However, when completed there shall be a park, the lights shall be refurbished and the field prepared so that football can return to the Annex.

(3) BASKETBALL FIELD ON EASTERN AVENUE

The basketball field on Eastern Avenue next to Cox Lumber shall be resurfaced and lit to facilitate the basketball displaced through the expansion of the George Town Primary School. These works should be completed by the end of September.

(4) SPORTS COURT - LION CENTRE

A sports court was purchased by Government and placed at the Lions Centre to facilitate the playing of indoor sports such as volleyball, basketball and netball.

(5) PARKS

Several parks are designated for George Town and shall be located at the Airport; opposite Foster's Food Fair, Smith Road; George Town Annex, and in the Washington Road area. Planning permission for most of these parks have been obtained and work should be started shortly.

I should also mention in relation to George Town, while it is not in the question, the Agape Worship Centre is providing a playing field at that Centre as well.

BODDEN TOWN

(1) BODDEN TOWN PLAYING FIELD

Work on the Bodden Town Playing Field shall be started shortly. A contract for this project has been put to tender.

(2) BODDEN TOWN PRIMARY SCHOOL PLAYING FIELD

Lights have been provided and the field upgraded at the Bodden Town Primary School Field. It should be noted that this was a joint project between Rotary, the community of Bodden Town and Government.

(3) BREAKERS PLAYING FIELD

On the initiative of some of the residents of Breakers, a small playing field was established. Government is assisting the community to complete this project.

I should say that Mr. Tony Powell was the person who spearheaded this project.

(4) NEIGHBOURHOOD PARKS

A neighbourhood park in Bodden Town shall be started shortly.

BEACH PROJECT

A community beach project for use of the residents in Bodden Town is nearing completion. I would like to take the opportunity to congratulate the residents of Bodden Town for their self-help approach to this project. [I should also say that we assisted with the public beach in Savannah in purchasing the property and gave other assistance.]

NORTH SIDE**(1) NORTH SIDE PLAYING FIELD**

Expansion work on the North Side playing field shall be started shortly. Additional lands have been purchased and planning permission obtained. A tender shall be issued shortly.

(2) PARKS

Two neighbour parks are planned for this district. Work on one of them is expected to start as soon as some minor details with the Planning Department have been sorted out.

(3) HARD COURTS

A hard court for North Side shall be completed by the end of the month. In addition to these facilities we have assisted several churches throughout the country in putting in facilities such as basketball and volleyball courts.

EAST END**(1) PARKS**

The old playing field in East End shall be converted to a neighbourhood park. Work on this project is expected to be completed before the Pirates' Week festivals in October, 1996.

(2) PLAYING FIELD

The Donovan Rankine Playing Field was completed in 1995 and opened by the legendary 'Pele'. This field has seating accommodation for approximately 600 people, change rooms and toilet facilities shall be completed shortly.

I should also say that the Government assisted with hard courts and recently assisted the United Church with \$10,000 for their project. That was spearheaded by the Minister, the representative for that district.

CAYMAN BRAC**(1) HIGH SCHOOL FIELD**

Government has upgraded the High School Field and provided lighting. The Swimming Pool that is currently used to teach children to swim together with surrounding land were purchased by Government for the people of the Brac.

(2) INDOOR FACILITY

An indoor facility to accommodate court sports is being considered. The Architect will visit the site shortly.

Two hard courts should be constructed by the end of the year.

SUPPLEMENTARIES

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. Could the Minister say if an additional basketball court will be added to the site next to Cox Lumber due to one being taken away because of the extension at the George Town Primary School ?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, the Member made some recommendations and this is being done. I can give her that guarantee.

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: Thank you, Madam Speaker. In the Honourable Minister's answer he mentioned plans to upgrade the basketball field on Eastern Avenue. I wonder if he can confirm whether or not there are any plans to resurface or upgrade the hard court at the West Bay Primary School ?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, I was so busy saying what we have done in other districts, that I neglected to say what is being done in West Bay. The present hard court there is being upgraded.

The Speaker: The First Elected Member for Cayman Brac and Little Cayman.

Capt. Mabry S. Kirkconnell: Thank you, Madam Speaker. I would like to ask the Honourable Minister, if considerations will be made to utilise the present slab for the indoor facility; that has a value of \$45,000 to \$50,000? To destroy that would certainly add to the cost.

I would also like to compliment the Minister on establishing the cricket facility at the High School in Cayman Brac.

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: I understand that there were some requests by the Public Works Department in Cayman Brac to remove the slab. I do not believe that I can agree with what the Member has said. We have to refurbish.

bish it as best we can to save it because (as the Member said, and I have to agree with him) it is quite a tremendous value. I am not going to agree to remove it because we can improve on it. That is all we need to do. I will see to it that this is done.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. Would the Honourable Minister give an undertaking to look at the surface of the basketball court in Bodden Town, if provisions have not already been made to do so. I received a number of complaints from players regarding the surface.

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, I can give the Member that undertaking because that is already being done. As soon as the work on the present field is done and when there is less traffic, funds are in the works to improve it.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: In the Minister's answer regarding the district of George Town and the basketball field on Eastern Avenue, could the Minister say if there is any consideration being given to providing any toilet or changing room facilities there, since that is located in an isolated area where there are no other facilities of that nature?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, I understand from the staff that presently they use temporary toilet facilities in that area, but their plan is to erect proper purpose-built toilet facilities.

The Speaker: The next question is No. 148, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 148

No. 148: Mr. Roy Bodden asked the Honourable Minister for Agriculture, Environment, Communications and Works if any tests are being carried out at the garbage dump to monitor the spread of contaminants and pollutants in the soil.

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: In April/May 1992, the Department of Environmental Health established 14 monitoring wells within the proximity of the George Town Landfill facility.

During the same year (in June) a Scientific Officer from Post, Buckley, Schuh and Jernigan visited Grand Cayman and collected water samples from the wells. Furthermore, soil and fauna samples were collected from the existing canal network in North Sound. All of the samples successfully met rigorous United States' Environmental Protection Agency standards. In some instances they tested below permitted levels.

In 1994, a second set of samples were analysed from the monitoring wells rendering similar results. A third set of monitoring well samples are scheduled for October/November 1996.

Please note that it is widely practised to analyse ground water samples to identify contamination and pollutant migration patterns, distances and concentrations, rather than soil samples.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. Could the Honourable Minister say if the practice of using the dump to dispose of used motor oil is continuing?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Thank you, Madam Speaker. Yes, but in a controlled way. It is collected in containers and stored at the dump until we have sufficient oil to dispose of.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. I noticed that there is a significant reservoir of used motor oil presently at the dump as a result of the old system. What is being done to contain this material from seepage and further contaminating the area?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Is it my understanding that certain dispersants are being sprayed on it to try to get rid of it. In the meanwhile there were buffers put around it to keep it in a certain area.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Could the Honourable Minister say if attempts are still being made to collect oil and have it shipped outside the country for reprocessing?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Madam Speaker, among the many things that we are trying to ship abroad, as much as is humanly possible; not only oil, but batteries, plastic, aluminium, etc.

The Speaker: The next question is No. 149, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 149

No. 149: Mr. Roy Bodden asked the Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture to provide an update on the low-cost housing proposals.

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: It is public knowledge that Government's Guaranteed Home Mortgage Scheme has been in existence since August 1994. In this scheme, four locally registered "Class A" Commercial Banks are providing the mortgage financing, with Government providing a guarantee of up to 35% of the upper layer of each mortgage. The maximum mortgage can be granted for up to CI\$125,000.00 for 20 years, at an interest rate of prime plus 3% (11 3/4%). As at 31st August, 135 Caymanian applicants have been successful in securing mortgages to purchase a home or have one built. These applicants are all middle to low income Caymanians who otherwise would not have been able to own their own home due to the equity (down-payment) requirements of most mortgages at commercial banks on these Islands. The joint income of the applicants have ranged from CI\$2,000.00 per month to CI\$5,000.00 per month; similarly mortgages have ranged from \$45,000.00 to \$120,000.00. A break-down of the mortgage loans is as follows: George Town - 56, Bodden Town/Newlands/Midlands - 38, West Bay - 14, and Cayman Brac - 2.

Much time and thought is continuing to be expended into the examination of ways and means of designing a programme which gives greater access to mortgage financing for lower income Caymanians. This is particular sector remains of concern to Government, and includes single-parent families, as well as low-wage earners. It should be noted in this context that people who own their own homes are generally more contented, they have more of a stake in the country, and therefore are better citizens as a result.

Representative of my Ministry, the Public Works Department and the Planning Department and I have visited Honduras to look at a system which a Swiss company has introduced in San Pedro Sula; we have also visited Jamaica to look at an "all cement" house offered by several large developers there; we have also looked at systems used in the United States as well as Europe. To date, none of the persons and companies talking to Government have been able to get to a point of actually being able to offer any kind of affordable system for the lower income bracket in these Islands.

I must say that the "all cement" house offered by Mr. Antonio Hawkins and the Housing Scheme offered by Mr. Heber Arch came the closest to having a scheme of affordable housing for the lower income group in our Islands. The scheme offered by Mr. Hawkins is yet to get off the ground, pending financial arrangements being made by that developer. However, in one instance his scheme was objected to by a group of citizens through the Planning Department when he was investigating a possible property for the sub-division.

In the case of the scheme which was offered by "Affordable Housing" (the scheme involving Mr. Heber Arch as all Members can very well remember), the scheme for which my Ministry and I were subjected to a considerable amount of accusation and criticism from the Opposition, and in particular the Member asking the question, who were against that scheme.

Had I been given the support, that scheme would have addressed much of the lower income groups' needs. It would not have totally addressed the situation, but the people who are now not able to qualify through the present scheme offered through four local Commercial Banks, would most certainly have qualified through the Scheme offered by "Affordable Housing."

In the present scheme (that is, the Guaranteed Home Mortgage Scheme) a common hindrance to people qualifying is the ratio of the applicant's monthly payment to their monthly income. One aspect of the problem in this instance is the person's ability to pay a mortgage when he has other loan commitments, or, for instance, unpaid Credit Card balances, which together may take him above the 40% of his salary required by the Banks as a maximum debt-service ratio.

This problem, coupled with the lack of available homes which can be readily purchased or constructed for an amount which these persons can qualify to borrow, is making it impossible to effectively provide housing for the lower income group referred to in this question.

The following Schedule is an indication of what a person or a couple will pay for various levels of Mortgage Loans, based on a 20-year repayment period at 11 3/4%:

Amount of Loan (all inclusive)	Monthly Payment (Mortgage Only)	Monthly Income Requested
CI\$	CI\$	CI\$
40,000	419.70	1,271.83
50,000	524.63	1,589.79
60,000	629.56	1,907.75

65,000	682.02	2,066.72
70,000	734.48	2,225.70
75,000	786.95	2,384.68
80,000	839.41	2,543.66
85,000	891.87	2,702.64
90,000	944.33	2,861.62
95,000	996.80	3,020.60
100,000	1,049.80	3,179.58
110,000	1,154.19	3,497.53
115,000	1,206.65	3,656.51
120,000	1,259.11	3,815.49
125,000	1,311.58	3,974.47

(The Income figure is either a single or combined salary)

There are prohibiting factors to implementing a scheme that falls within a mortgage payment range of \$250.00 to \$650.00 per month. These obstacles include costs, such as Import Duty, Stamp Duty, as well as labour costs and building material costs.

I am presently investigating another scheme which makes available \$3 million to \$4 million for Housing and takes all of these factors into consideration, but cannot have such a scheme prepared for implementation before the end of this year. When I have completed my investigation, an announcement will be made on my findings. If the House is still in session, I will make the announcement here.

Profound appreciation has to be expressed to the four financial institutions (CIBC, Bank of Butterfield, British American Bank, and First Cayman Bank) who have come forward in a partnership with Government in this vital socio-economic programme. A bold step has been taken towards enabling the target population to realise their aspirations of stability, security and pride of owning their own homes.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Is the Honourable Minister in a position to say what percentage of the population, or what numbers find themselves in a position where they cannot benefit from the scheme which currently exists because of their failure to qualify, either through income or other circumstances.?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture

Hon. W. McKeever Bush: We do not have any figures on the percentage of the population. As I mentioned in the substantive answer, the question is not, in the vast majority of times, that they do not qualify. There are no housing units available so that they can purchase for what they qualified for.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Honourable Minister tell the House why he did not proceed with the deal under the term "Affordable Housing", on page 2 paragraph 3 of his answer, since his colleagues in the Government passed the Motion which he brought to the House in each instance to carry out this arrangement with Affordable Housing?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: I think I gave an indication why the Ministry did not go ahead with that particular scheme. I do not need to remind the Member that he, first of all, is one of the biggest objectors to that scheme. There were other objections. I am going to make it absolutely clear that there were people in the Civil Service who did not support it simply because of all the unfounded rumours that are being spread - for instance, that I had a share in it. That was one. Some of the banks started in the rumour-mongering because they would have found themselves at a disadvantage. Thirdly, the Opposition in this House hammered me and virtually destroyed my life with accusations, not only inside this House but outside as well, about my integrity. The next thing, the Members of the House said if this is what it means, try to find another scheme. If you cannot help all of the people we can help those whom we can help and that is what will happen.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Would the Minister tell us if he has investigated the role local insurance companies might play in providing the funds that might be utilised for the very low income group of people?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: The answer is that at least two insurance companies have talked to us in the Ministry about providing financing, but they have not come forward as yet with any sound written proposal.

I would like to say again that it is not so much the financing, because everyone jumped on the bandwagon after Affordable Housing started to make a proposal. The problem is finding housing units. It is sad to say that there are people in this country who do not want the lower income group to build along side of them. I gave an indication of Mr. Antonio Hawkins trying to find property and residents objected. That is another problem. But if we are going to be a caring and loving people, and con-

tinue to be that, we have to accept that we will have poor people living beside us.

All I can do as a Minister, is that when we pass a scheme I will make sure that it has good planning requirements. The scheme that Mr. Hawkins was looking at was an all-cement house, a little Caymanian style cottage, a very comely home. All that Government can do is make sure that the planning requirements are adhered to and that good housing is made available. But, if people are going to object, that is going to run it through the regular process of the Law, where appeals have to be made and the whole shebang.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: I would also like to find out from the Minister if various complaints have been made to him from applicants trying to secure loans through the Government Guaranteed Housing Scheme, in particular, obstacles that arise on account of the banks that are responsible for awarding these loans; in particular, women being refused loans even if they qualify according to income.

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: There have been some complaints about banks not accepting such things as maintenance payments and alimony in the requirements. We are now working at getting that sorted out with the banks. I trust that this House understands what happened with the scheme that could have given everybody a home.

The Speaker: The last supplementary. The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: In the overall scheme of things that the Government is investigating regarding low-cost housing proposals, is Government leaning towards this being done by private enterprise, or Government being involved in the schemes?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: All the schemes have been schemes involving Government and the private sector. That is the way we are going to continue. Government puts up 35%. That is the same as Government taking raw cash and saying, 'Here, Mr. John Brown, go and pay the bank this \$10,000, \$15,000 or \$20,000 down payment and get your home.' Government is very much an integral part of the scheme, because Government is putting up the guarantee - which they objected to.

The Speaker: That completes Question Time for today.

Statements by Members/Ministers. The Honourable Minister for Tourism and Aviation and Commerce.

STATEMENTS BY MEMBERS/MINISTERS

SINKING OF THE RUSSIAN DESTROYER IN CAYMAN BRAC

Hon. Thomas C. Jefferson: Thank you, Madam Speaker.

I am pleased to formally inform this Honourable House and the Caymanian public of the sinking of the Russian Destroyer in the waters off Cayman Brac, on Saturday, 14th September, 1996. As this Honourable House will be aware, this Government has taken a decision to do all within its power to assist in improving the economic situation in Cayman Brac - one of the three 'sisters' of our beloved Island country.

To this end, many meetings have been held, including the entire Executive Council, chaired by His Excellency the Governor, with residents of Cayman Brac in that island. This is the degree of importance which this Government has attached to this very important matter and we felt that it should be demonstrated that we are serious about our approach from the very top.

A number of suggestions have been made and a number of approaches have already been initiated. It was obvious that the tourism sector had a very important role to play in this matter, and my Ministry has held many meetings with the Sister Islands Tourism Association to try to determine a suitable approach. One suggestion was made of the need to create a popular dive site in Cayman Brac.

Diving in the Cayman Islands has become internationally famous, but has been more concentrated in Grand Cayman and Little Cayman. What was needed in Cayman Brac was something that the other two islands did not have. That was when the suggestion to create a dive site out of a ship wreck began to make sense.

Upon investigation it was discovered that there was a Russian Destroyer in Cuba that was for sale. The Sister Islands Tourism Association and Government moved very quickly, and with the assistance of the British Embassy in Cuba, preliminary inspection of the vessel was arranged, and the purchase price negotiated. Government identified funds in this year's budget to effect the purchase and a letter of credit was arranged by the Portfolio of Finance and Development.

After final inspection by our Department of Environment the ship was cleared for sinking in waters off Cayman Brac. This will be done on Saturday.

I would also like to inform this Honourable House and the public about the details of the final inspection by the Department of Environment (DOE) which was carried out on the 2nd and 3rd September. This team included our Chief Marine Surveyor:

1. A report produced by Lloyds Register on the hydro-carbon content of the ballast tanks revealed that there was a very small residual of dissolved hydrocarbon (diesel fuel), which will be disbursed by the DOE staff using oil dispersants prior to the sinking. The presence of these dispersants will not pose a risk to any surrounding coral in the depth of water at the site, and is in accord with the National Oil Spill Contingency Plan.
2. Bilges in the fore and aft engine rooms have been cleaned to a satisfactory standard.
3. The vessel was not equipped with sewage holding tanks, therefore no bacteriological quantification was needed.
4. It has been determined after communication with the Russian Naval architects that the Soviets stopped using components containing PCVs (which we heard on the marl road) on naval vessels in the late 1970s. The vessel to be sunk was built in 1984.
5. All loose foam insulation has been removed from areas accessible to divers.
6. No indication of radioactivity was found. (Another marl road item)
7. The vessel has been thoroughly inspected and cleared, but this Honourable House and the public should be aware of the following:
 - (a) The impact of the vessel striking the seabed may raise a considerable plume of course, sandy silt. Settling time should be rapid. The nearest coral reefs are some distance from the proposed site and the silt should have little, if any, impact on the coral.
 - (b) A large amount of rust will be present due to the age of the vessel. The impact of the vessel striking the seabed may, therefore, release rusty water. Again, it will be expected to subside rapidly and not pose a significant hazard to the coral reef.
 - (c) The vessel contains material that may contain asbestos. According to the report by the DOE, this does not represent a threat to the marine environment.
 - (d) Smoke-stacks and exhaust piping are lined with carbon soot. It is likely that some of this carbon will float to the surface causing perhaps an unsightly black slick. The carbon is not an environmental hazard.

Grills will be installed to prevent a diver access to the interior of the ship to reduce the risk of entrapment within the vessel. Railing pipes are being cropped to reduce risk of entanglement of divers, and all loose rubber and other materials are being removed.

One more inspection of the vessel will be made on its arrival in Cayman Brac by the Department of Environment, and during the entire sinking operation the DOE staff and equipment will be placed on standby in case they are needed.

This new dive site will undoubtedly attract more divers to Cayman Brac thereby increasing the tourism contribution to the economy of that island. This project was carried out with the strong support of the Sister Islands Tourism Association, headed by Mr. Ben Parry, President, and Wayne Hasson, Vice President.

The working partnership between the Ministry of Tourism and the Sister Islands Tourism Association on this project can be used as a shining example of what can be achieved for the people of these islands when Government and the private sector join hands.

I record my sincere thanks and appreciation to both Mr. Parry and Mr. Hasson for their untiring efforts on this project. Additionally, I record my thanks to the staff of the DOE and the Chief Marine Surveyor for their advice and assistance, and to my colleagues on Executive Council and in this Honourable House for their support as well. I pray that the sinking of the Russian Destroyer on Saturday will go as planned, and that it will serve the purpose for which it was intended.

Unfortunately, because of previous family commitments, I will not be able to attend the sinking on Saturday, but I will attend the function at dockside, Cayman Brac, on Friday, 13th September.

Thank you, Madam Speaker.

The Speaker: Statement by the Honourable Minister for Agriculture, Environment, Communications and Works.

Mr. Gilbert A. McLean: Madam Speaker.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Under Standing Order 30(2), may I put a few short questions to the Honourable Minister who just made the statement?

The Speaker: You certainly may.

SHORT QUESTIONS (Standing Order 30(2))

Mr. Gilbert A. McLean: Thank you, Madam Speaker.

In the statement which the Minister just read (of which we do not have a copy at this stage) he spoke of various entities, including Lloyds of London, who have had some connection or some dealings with this ship which is to be sunk off Cayman Brac. Is the figure in the

newspaper of \$275,000 the total cost of this, or are there various costs involved other than what has come to public knowledge in this particular exercise?

The Speaker: The Honourable Minister for Tourism, Aviation and Commerce.

Hon. Thomas C. Jefferson: The reference to Lloyds Register Report in the statement is basically referring to a sample taken from the tank, analysed by Lloyds Register and the statement is talking about the report having analysed the material sent to them.

The cost of the vessel is \$275,000. There are some additional costs to it. There is cost for towing it across, there is cost for insuring the ship during its passing from Cuba to Cayman Brac, which I am sure the Member would want us to do. There is also the cost of sinking the vessel. But if we add those two other items to it, we would be in the range of \$35,000 additional.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Minister say if any study has been done as to what effect this might have for providing employment in Cayman Brac?

The Speaker: The Honourable Minister for Tourism and Aviation and Commerce.

Hon. Thomas C. Jefferson: The objective of the sinking of this Russian Destroyer is to create an attraction for visitors and locals alike to travel to Cayman Brac and to dive that site.

We know from history and from other countries that have sunk ships around their waters, or from the Florida Keys, that a wreck is like a magnet to a North American diver. We have recommendations also from *skin diver* magazine, that this particular ship, a Russian Destroyer, will be the only one in this part of the world. Therefore, I think it will be more attractive than any other wreck in the western hemisphere.

Perhaps I should go on to say that John-Michael Cousteau is here and will be doing a documentary. We have a number of media representatives here from different parts of the world. I have not seen this number of the media being involved in the Cayman Islands in many years. I believe the message about the wreck is certainly going to be internationally known within days. If that be the case, I would forecast that the visitors coming to Cayman Brac will increase significantly in the near future. If you have more people, you obviously need more employment to service that demand.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Thank you, Madam Speaker.

Has the Government taken any steps to ensure what should surely be its copyright position on the filming and sinking of this vessel, from which it might earn money, as these people doing the filming will earn when this is sold and seen on the big screen?

The Speaker: The Honourable Minister for Tourism, Aviation and Commerce.

Hon. Thomas C. Jefferson: Madam Speaker, we are one step ahead of the Member asking the question. The signed agreement is already in place. Government will receive part of the income therefrom.

The Speaker: The next Statement is by the Honourable Minister for Agriculture, Environment, Communications and Works.

RESPONSE TO PARLIAMENTARY QUESTION NO. 124 CORRECTED

Hon. John B. McLean: I would like to take this opportunity to correct my response to Parliamentary Question No. 124, which asked when dredging operations were expected to resume in the North Sound. In my answer I advised this Honourable House that Caymarl Ltd. was required to provide Government with 30 days' written notice prior to the commencement of works, and that notice had not yet been received by the Ministry. While this answer was technically correct, written notice had, in fact, been submitted to the DOE advising of an intended start date on the 2nd September, 1996. More recent communication from Caymarl Ltd., however, indicated the expected commencement date for dredging operation as 11th September.

Upon inspection of the operation yesterday, my Ministry observed that while equipment was in the process of being positioned in and around the burrow pit, as of that time (around mid-day) dredging had not yet commenced.

Thank you, Madam Speaker.

The Speaker: The next Statement is by The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

GRATUITIES DISTRIBUTION AUDIT

Hon. W. McKeeva Bush: Thank you, Madam Speaker. Honourable Members of this House are aware that Part iv, sections 34-39 of the Labour Law (1996 Revision), together with the 1992 and 1994 Regulations provide the rules for the distribution of Gratuities for relevant service employers which collect gratuities from the public for the benefit of prescribed employees. Sections 32 and 33 of the Law also provide for work accounts and statements of wages which may now also relate to gratuities.

Honourable Members are also aware that gratuities are the lion's share of the remuneration for many workers in the service sector, particularly the hospitality industry.

It is also well-known that there have been numerous complaints and allegations made to the Department of Human Resources and Members of the Legislative Assembly in recent years concerning perceived, and in some cases substantiated, abuse in the distribution of these gratuities by the management of several establishments. In fact, there were two cases involving illegal distribution of gratuities which have to be finally settled in our courts.

At the Budget Meeting, as well as at a subsequent meeting of the Finance Committee, Members supported unilateral action by Government in an effort to reveal if there is any evidence to support these allegations, and, if there are violations, to prepare well documented cases for prosecution.

In early 1996, my Ministry commenced discussions with the firm of Ernst & Young Auditors and Accountants, with a view to obtaining a proposal from them for their engagement in performing these specialist services. While the Human Resources Department is responsible for ensuring compliance with the Labour Law, it does not have the technical expertise necessary to conduct an in-depth examination of employers' gratuity records. There has, however, been discussion with the Internal Audit section which is also unable to dedicate sufficient resources to implement such a project.

Ernst & Young agreed to conduct an examination of records of up to seven establishments from a list to be provided by the Department and the Ministry, including hotels, condominiums, restaurants, bars and/or a combination of these. The firm agreed to commit up to six senior staff members on this project.

A Labour Inspector would be made available to accompany and assist the auditors on the communication and information gathering for the various establishments being scrutinised. The cost for carrying out these audits of this establishments will be made available from monies approved in my Ministry and the Department's 1996 budget.

The Legal Department has provided advice for the terms and conditions of this engagement, as provided for in the Labour Law, as well as guidelines on how to gather evidence and prepare the reports for Government.

I am pleased to report to this House that last week a number of auditors from Ernst & Young, acting as agents for the Director of Labour, accompanied by Labour Inspectors, reported unannounced at the premises of two condominium complexes and five hotels and obtained the cooperation of management of these establishments to examine their books and records relating to the collection and distribution of gratuities.

The auditors are presently conducting their examination and verification in collaboration with pertinent records relating to occupancy levels and accommodation tax which are filed at the Treasury Department by some of these establishments. If results of these first audits warrant it, further audits may be conducted. I wish to remind any establishment that wishes to ignore the Labour Law in relation to gratuities that they should not

doubt Government's resolve to continue to demand equity and full compliance with the Law.

Findings of these audits will be reported to this Honourable House and released to the public in due course as appropriate. Legal and Administrative corrective remedies will be sought if necessary.

To those Caymanians and non-Caymanians who work in non-managerial jobs in the hospitality industry who depend heavily on their gratuities to supplement their wages, I say to them that this Government, and as long as I am the Minister responsible for Labour, will always fight for fair-play for the working man. I trust that all employers and employees will continue to do their part to ensure good labour relations and high productivity in these blessed islands that we love and call home.

Thank you, Madam Speaker.

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: In accordance with section 30(2) of Standing Orders, I would like to ask a few questions.

The Speaker: Certainly.

SHORT QUESTIONS (Standing Order 30(2))

Mr. John D. Jefferson, Jr: Thank you, Madam Speaker.

Can the Honourable Minister say what properties were audited?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: The audits took place last week at Beach Club, Spanish Bay Reef, Sunset House, Seven Mile Beach Resort, Holiday Inn, Westin, and Lacovia Condos. Previous audits took place at the Radisson, Discovery Point, and Coconut Harbour.

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: I wonder if the Minister can confirm whether or not the audits included a review of the tourist accommodation tax due Government and, if so, whether any difficulties were experienced by the audit teams?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Yes, the audit included accommodation tax. Yes, it took us a week to get the information required from Treasury. That caused some problems, but we have that information and that is going to be passed on to the auditors.

The Speaker: The Third Elected Member for West Bay.

AYES.

Mr. John D. Jefferson, Jr: Thank you, Madam Speaker. One last question.

The Honourable Minister also mentioned that three other properties were audited previously. I wonder if a report has been submitted on these, and whether or not the findings will be made available to this Honourable House and the general public?

The Speaker: The Ayes have it. The House is accordingly adjourned until 10 o'clock, Thursday morning, 19th September, 1996.

AT 12.30 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM THURSDAY, 19TH SEPTEMBER, 1996.

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: As I said, three other properties were audited by the Internal Auditor, the Radisson, Discovery Point and Coconut Harbour. We have only received the report on the Radisson and that is being worked on by Mr. Banks, the Director of Labour.

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: I wonder if the Honourable Minister can answer the last part of the question in regards to whether or not these reports will be made available to the Honourable House and the general public with regard to the findings?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: I would have to take legal advice on it, but, as I mentioned in the statement, I would certainly give a report to this House of findings. I do not know if I could give full audit papers to the House. I will have to take legal advice on that. What I can say is that I am prepared to make public as much as I can. I give the House my guarantee that if there is something there, as has been talked about for so long... and we are not done yet... there will be prosecutions.

The Speaker: That concludes the business set down for today. I will entertain a motion for the adjournment of the House.

The Honourable Minister for Education and Planning.

ADJOURNMENT

Hon. Truman M. Boddin: Thank you, Madam Speaker.

I move the adjournment of this Honourable House until next week, Thursday morning, 19th September at 10 o'clock. This was agreed after consultation with yourself and all Members of the House.

The Speaker: The question is that the House do now adjourn until Thursday morning 19th September, at 10 o'clock. I shall put the question. Those in favour please say Aye... Those against No.

**EDITED
THURSDAY
19TH SEPTEMBER, 1996
10.10 AM**

The Speaker: I will ask the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation to say prayers.

PRAYERS

Hon. Anthony S. Eden: Let us Pray.

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

Bless our Sovereign Lady Queen Elizabeth II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated.

Order. Proceedings are resumed. Questions to Honourable Members and Minister. Question No. 150, standing in the name of the First Elected Member for Bodden Town.

**QUESTIONS TO HONOURABLE
MEMBERS/MINISTERS**

QUESTION NO. 150

No. 150: Mr. Roy Bodden asked the Honourable Minister for Education and Planning to state if there have been any discoveries of drug use at the George Hicks and John Gray High Schools during the 1995/96 school year.

The Speaker: The Honourable Minister for The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: No discoveries of drug use were made at the George Hicks and John Gray High Schools during the past school year. However, there

were two cases of drug possession at the John Gray High School.

SUPPLEMENTARIES

The Speaker: First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Could the Honourable Minister say how these two cases were handled?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, both students were put in the Alternative Education Unit and subsequently, one was expelled.

The Speaker: First Elected Member for Bodden Town.

Mr. Roy Bodden: Could the Honourable Minister explain to the House what programmes regarding drug education awareness are in place at these schools?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: We use the Lions' Quest Programme and this has been very successful. As the Honourable Member knows, three or four years ago (when I took over Education) there were very large numbers of drug cases, as well as serious attacks with weapons in the schools - some of those attacks on teachers. The schools have settled very well under the new Education Strategic Planning process with a lot of cooperation from the parents, especially, whom I wish to thank.

I should say that the Quest Programme has been very effective in the Primary Schools. Early this year we revamped a high school programme, which will assist and enhance that programme. It is done in conjunction with the Lions Club.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Was the expelled student of compulsory school age, and, if so, what has the Government done to deal with that matter?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: The student was above the compulsory school age. But as you know, extensive

courses are offered at the Community College (both full- and part-time) which students beyond the compulsory school-age can attend.

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: I wonder if the Honourable Minister could say what measures are in place to detect the presence of drugs at the High Schools.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: We normally use student information as the primary source for detecting drugs. But random testing is done within the schools, also random searching. At one stage some years ago there were serious problems in the schools. On one occasion every school bag at the Middle School was searched. If it requires it, then we step up the random searches.

I would have hoped that the two Opposition Members would have congratulated the schools on the fact that they have minimised what was a very serious problem. But they obviously never see the good in anything.

The Speaker: First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Could the Honourable Minister say if the expulsion carried with it any demand or suggestion for counselling, or was the student merely sent out into the world to continue spreading the problem?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, he received counselling.

The Speaker: The next question is No. 151, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 151

No. 151: Mr. Roy Bodden asked the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation to state the number of Caymanians in overseas drug rehabilitation programmes at this time.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Currently there is one Caymanian who has been referred by Government to an overseas drug rehabilitation programme. Possibly there are others who have been admitted by private referral. I do not know who they may be because this is private information.

SUPPLEMENTARIES

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Could the Honourable Minister state if the Caymanians in overseas drug rehabilitation programmes are all in the United States of America?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Madam Speaker, the one patient we have referred is in the United States. But there are cases where we have to do psychiatric analysis and they could be referred to other areas depending upon the seriousness of the case.

The Speaker: Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Could the Honourable Minister state if there is any truth to the rumour that the United States is seriously looking at not issuing visas to these individuals?

SUPPLEMENTARY DISALLOWED

The Speaker: The Honourable Member cannot ask that question because that is one of the "forbidden questions." Under Standing Order 22 (viii), asking whether a statement made by the Press or private individuals or unofficial bodies is accurate cannot be allowed.

The Speaker: Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Would the Honourable Minister say how this number compares with referrals in the previous five or six years?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Madam Speaker, I do not have that information with me. I will undertake to pass it on to the Member.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Could the Honourable Minister say if there has to be any waiving of visa requirements for these referrals who take treatment in the United States, and if there is now any notice from the United States that these privileges may be withdrawn?

The Speaker: Honourable Member, I think you are asking the same question the Fourth Elected Member for George Town inquired about. That is forbidden, but if you ask the first part only, I will allow it.

The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Can the Honourable Minister say if the United States requires these referrals be granted special visa privileges?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Madam Speaker, this is an immigration situation, but I would venture to say yes.

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: Thank you, Madam Speaker.

In the Honourable Minister's answer he mentioned that only one Caymanian was referred overseas by Government. Could he give us an idea as to how his Ministry is dealing with other Caymanians who need the service at the present time?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: There are seven other people whom we are looking to assist in this area. As I have said in the House, we have provided and upgraded the Caymanian Counselling Centre, and also have provided services in the prison. We are now providing services in the districts where we in the Ministry feel we will get a better response from these individuals.

The Speaker: First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Minister tell the House how cases of recidivism among these referrals are handled?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: In circumstances such as this, if the person comes back and wishes to start the programme again, we will do so. But we cannot go in and force the person to start the programme.

The Speaker: First Elected Member for Bodden Town.

Mr. Roy Bodden: Could the Honourable Minister explain what he means by starting the programme over? Does that mean a return to the institution to which they were referred, or a return to programmes offered locally?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: They return to Cayman Counselling Centre for assessment and from that we see

where they would be placed and what services we can then offer.

The Speaker: First Elected Member for Bodden Town.

Mr. Roy Bodden: In the case of recidivism where the client is accepted for re-treatment, can the Honourable Minister explain whether there is any variation in the programme or not?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: The variations would be clinical and based on the needs of the client.

The Speaker: The next question is No. 152, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 152

No. 152: Mr. D. Kurt Tibbetts asked the Honourable Minister for Education and Planning (a) to outline the details of the proposed capital works at the George Hicks High School; and (b) when are these works scheduled to commence.

(In the absence of the Fourth Elected Member for George Town, the Speaker proceeded to question no. 153.)

The Speaker: I will proceed to question No. 153, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 153

No. 153: Mr. Gilbert A. McLean asked the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation if there has been any disruption in the oxygen and water supply at the George Town Hospital since construction commenced on site.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Since construction commenced on site at the George Town Hospital, there have been five interruptions to the water supply to the surgical ward, operating theatre, general ward and physiotherapy. Three of these interruptions were planned and were of short duration; two were accidental and of minimal consequence and were resolved within one hour. No patient or member of staff was put at risk in any way as a result of these interruptions.

There has been no interruption to the oxygen supply due to construction activities.

The Speaker: The next question is No. 154, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 154

No. 154: Mr. Gilbert A. McLean asked the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation what the total amount of overtime paid at the George Town Hospital was since January 1995 to date with a breakdown by category of staff.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: The total number of overtime paid at the George Town Hospital since January 1995 to the end of August 1996 was \$546,001.93. The breakdown by category is as follows:

Nursing	\$230,508.06
Ancillary	104,253.95
Administration	71,844.83
Support	71,645.62
Ambulance	<u>67,749.47</u>
Total	<u>\$546,001.93</u>

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Honourable Minister say if this amount would be expected to be conclusive for the expenditure for 1996?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: With a few months left in the year, I guess it will go a bit higher.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Could the Minister say what usual areas overtime would be incurred for nursing services?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: The Intensive Care Unit, the Surgical Ward, the General Ward and Operating Theatre.

The Speaker: The Member for North Side.

Mrs. Edna M. Moyle: Can the Honourable Minister tell the House the reason for this amount in overtime?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Madam Speaker, with the increase in the population the overall staff complement in all areas is not enough to meet the existing needs for running the hospital. This will be addressed in due course.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: In the instances of the nursing category, is it because persons are brought in to fill the jobs because of the lack of nurses, or is it overtime for the staff there?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Thank you, Madam Speaker. It is the latter part of the question - the existing staff that we bring in.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. In the answer the Honourable Minister listed administration as \$71,844.83. Is this normal for the hospital to have administrative staff on overtime?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: The reason for this amount is that the cashiers are there on a 24-hour basis, and if someone gets sick we find another person to assist.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: In view of the large sum of money that is spent in overtime, what is being done now by the Health authorities to fill the posts that are vacant so this type of overtime will not re-occur?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Under the auspices of the Ministry, and with the assistance of the Department of Health, a New Services Group has been put together to look at everything within the Health Services Department to make them better and make recommendations for proper staff.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. Could the Honourable Minister state the rate of overtime?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Madam Speaker, this would depend on which area is being paid the overtime. The rate is different.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. Perhaps I was not very clear. What I would like the Honourable Minister to state is if overtime time is paid at time and a half, with double time on holidays, etcetera.

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Madam Speaker, it is in accordance with General Orders, at time and a half.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Would the Honourable Minister say who the people comprising the New Services Group are? Is this a group of technical or professional people? Just who are they?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Madam Speaker, it comprises: (1) the Senior Assistant Secretary for the Ministry of Health, Drug Abuse Prevention and Rehabilitation; (2) the Chief Medical Officer, Health Services Department; (3) the Chief Statistician, Economics and Statistics; (4) Director of Health Services; (5) the Chief Nursing Officer; (6) the Hospital Accountant; and (7) the Accountant-General, Treasury Department. This is a massive programme that we have undertaken.

The Speaker: The Third Elected Member for George Town and this is the last supplementary.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker.

Can the Honourable Minister state if any consideration has been given to hiring additional members in the Nursing, Ancillary, Administration, Support and Ambulance units?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony S. Eden: Yes, this is an ongoing process, but it is difficult to find individuals to fill these positions because of the specialisation in these areas and the long hours they are required to put in. This is one of the problems being addressed by the New Services Group.

The Speaker: I will now revert to question No. 152, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 152

No. 152: Mr. D. Kurt Tibbetts asked the Honourable Minister for Education and Planning (a) to outline the details of the proposed capital works at the George Hicks High School; and (b) when are these works scheduled to commence.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddan: The proposed capital works at the George Hicks High School is the construction of a new Art block of 6,984 square feet; a new Physical Education changing facility of 3,402 square feet, and an expansion to the existing Administration block of 2,860 square feet. The existing Administration building will be renovated.

The Art block is scheduled to go to tender in late September, with construction beginning in late October. The Physical Education block and the administration block are scheduled to commence construction in early 1997.

Further projects scheduled for late in 1997 include a kitchen to be built onto the existing assembly hall and the design of a new library and multi-purpose hall which will be constructed in 1997/98.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Minister state what the existing hall will be used for once the new multi-purpose hall is erected?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddan: Madam Speaker, it would be used for a canteen and dining area.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. Would the Honourable Minister state if there was any reason why the Art block was not scheduled for tendering until late September?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: In the previous Government a rider was put on so that plans for future buildings at schools would only be done after a sewerage plant central to the school's building was built. The project has been with the Cayman Water Authority which has designed the building, and it was not necessary for me to get it until the last year or so.

I have moved as quickly as I could to deal with it, and the building will be in place in the near future. On the basis of that plans were approved, but were held up for awhile until proper assurance could be given by Cayman Water Authority that plans for a sewerage treatment plant were prepared.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: The Minister has just stated that there was a rider put on by the previous administration regarding a central sewerage system and that it was not necessary for him to deal with it until a year ago. Could the Minister explain what was happening between then and a year ago?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: I had no large building going on that required additional persons, and an exemption was given for what was built because there were rooms that would have been used by children (eight of who are now in existing rooms). There was no increase in children for the buildings that were built.

I should say that it was not put on by the last Government, it was during the last Government's administration. It was put in place by the Central Planning Authority.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Could the Honourable Minister state how long the Cayman Water Authority had instructions to do the design for this central sewerage system?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, I believe about nine months to a year.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Could the Minister state if there is any anticipated time period when this might be completed?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: I have been assured that it is being given top priority and will be completed very shortly (should be within weeks). I have discussed the preliminaries with them, and one of the complexities that they have is that the buildings at the John Gray High School, for example, the toilets are spread over the entire area because different pieces were built at different times.

Approximately 26 bathrooms in that complex have to be connected and lift-pump stations put in where necessary to get the effluent into the sewerage plant; and to do so without having to destroy or interrupt too much. The Fourth Elected Member for George Town probably thinks, 'why not just buy a plant and put it in?' It is not that simple. When I went over the plans, from what I can remember, there are about 26 different areas where effluent had to be drawn from in that one school.

The Speaker: Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. Could the Honourable Minister state the approximate cost of the sewage system to be installed?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, I am still waiting for that surprise. I hope it will only cost about \$450,000, but I do not have the estimate.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Could the Minister state if the plan is to construct the central sewerage plant before any other construction takes place?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, I would hope that it can be done speedily once it is approved. I am fairly certain that it will be done before there is any major construction because we have further construction at the George Hicks High School. I should point out again that it is not like adding more classrooms, say, to the primary school, and adding more children. So it does not necessarily increase the effluent when you add, for example, a hall.

The Speaker: The next question is No. 155, standing in the name of the Second Elected Member for George Town.

QUESTION NO. 155

No. 155: Dr. Stephenson A. Tomlinson asked the Honourable Minister for Education and Planning what action has been taken to improve the efficiency with which planning applications are dealt with by the Planning Department.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, Let me begin by saying that the Planning Department has a very important role to play in the development of these islands. The Planning Department Serves two main roles:

- (i) A regulatory role to ensure development takes place in a safe and orderly manner and in compliance with the Development and Planning Law, Regulations and Directives of Executive Council; and
- (ii) A development and planning role, processing applications is merely one function of the Department's activities. The Department scrutinises plans to ensure that they comply with the Law and Regulations and act in advisory role to the Central Planning Authority.

Nevertheless, the public is entitled to receive services from the Department with efficiency and satisfactory customer service. To that end, the Department has implemented a number of changes which have improved its service and increased the efficiency with which planning applications are processed.

Since the beginning of 1996 the following actions have been effected:

- a) improved computer tracking for up-to-date status reports on all applicants, completed weekly by planners and monitored weekly by management;
- b) reassignment of planners by geographical areas, taking into account the higher volume of applicants in George Town;
- c) began recruitment for two positions for planning assistants;
- d) started a public education programme in May 1996 by developing a set of informational brochures specifying application requirements for various types of developments;

- e) increased frequency of meetings of the Central Planning Authority to deal with volumes of applications being processed by the Department;
- f) letters advising applicants of the Central Planning Authority's decisions on Certificates of Occupancy and routine matters (houses, duplexes) are made available to the applicants the day following the CPA meeting;
- g) increased the number of pre-submission meetings between Department and developers to highlight application requirements and identify possible areas of concern before a formal application is made;
- h) the Legal Department conducted four seminars for the benefit of planners and building inspectors to allow them to function more effectively within the framework of the Development and Planning Law (1995 Revision) and the Development and Planning Regulations (1995 Revision).

As a result of the above-noted actions, the first seven months of this year saw the average time (in calendar days) for the processing of new planning applications reduced by half, as compared to the same period for 1995. More specifically, for 518 applications received until 31st July of this year, the overall average number of days for obtaining a CPA decision was 38 days compared to 80 days for the same period last year. Of these 38 days, 21 days minimum is prescribed by law to allow objections and, therefore, applications normally take only 28 days to process.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Would the Minister state how many planners are assigned to the district of George Town?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Three (which is nearly one-half of our planners).

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: Thank you, Madam Speaker. Could the Honourable Minister say how often the Central Planning Authority meets?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, at least once every two weeks, but normally weekly. I should,

however, point out to the Honourable Member that a lot of the routine matters I mentioned are dealt with by the Chairman of the CPA, and the Director of Planning.

We have had some good 'THANK YOUs' and congratulations on the speed with which the minor applications are now turned out. To assist with that there are 11 or 12 planning brochures that we produce. So someone can go in and get one to see exactly what is needed for a minor application. The other thing that I would like to point out is that, normally, I deal with complaints. I have found that while this is burdensome, in the early days of taking over the department I got a feel for what was happening.

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: It is my understanding that the CPA basically deals with commercial applications (larger projects). In light of the pace of development at the present time, does the Minister believe that twice a month is sufficient to deal with these applications?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: The Central Planning Authority finishes its agenda each time, but I will give the undertaking to the Honourable Member that since the National Team Government got the economy moving at such a speed that we may well have to add extra meetings. There are a lot of development applications coming in, but the Central Planning Authority knows its duty to be careful, and to balance that development to ensure that development being approved is good for the country. So they do take the time they need.

I should also point out that the Central Planning Authority (unlike other statutory bodies) hears every person who wishes to object. This is unusual for any statutory body. But they go to the extreme to listen to people's objections, and sometimes that does require extra meetings if objections are substantial. Whatever is necessary to keep that going, because it is important to remain efficient, I undertake to do.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Would the Minister say if he is fully satisfied that the planners assigned to the district of George Town are fully qualified and have the background experience to deal with the peculiar problems associated with the district, especially as an emerging township?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: The planners have varied backgrounds (geographically), but the Director of Plan-

ning does have an overview on this. So he would assign the planner with the most experience within an area to deal with that area. What will ultimately come out (and I know there is a question on the Development Plan) is once a Development Plan is in place, we will be able to then look at area plans.

What the Honourable Member has raised will become even more important to ensure that the planners fully understand the area and effectively deal with it. At present we have been lucky, we have good staff in there.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Regarding the recruitment of two Planning Assistants, can the Honourable Minister state what the desired qualifications for these assistants are, provide a brief synopsis of their job descriptions, and say whether these assistants will be recruited locally or from other jurisdictions?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: As the Honourable Member knows, under the Constitution this matter falls under the Honourable Chief Secretary. I am sure that he has taken note of the question. As a politician I keep out of any type of Civil Service employment or conditions of service, therefore I am not privy to this information. Perhaps if the Chief Secretary is given some time to make a note he can supply such information as a politician is entitled to have. That question seems to me to go beyond the Constitution, and that is something that may have to be considered.

The Speaker: The First Elected Member for Cayman Brac and Little Cayman.

Capt. Mabry S. Kirkconnell: I wonder if the Honourable Minister would give me an undertaking to take a special look at the areas covering the development of Cayman Brac and Little Cayman. With the concession that has recently been given, we are hoping that development will come. With one planning assistant it is difficult.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, I am happy to give that undertaking. As the Honourable Member knows, in any way that I can assist Cayman Brac and Little Cayman, I will. I have gone over there on a quarterly basis and met with the Planner (and the Honourable Member is quite right we need a second person there especially in relation to enforcement). I believe this is in the process now. If it does become necessary to add another person, I think this Honourable House would support it.

The Speaker: The next question is No. 156, standing in the name of the Second Elected Member for George Town.

QUESTION NO. 156

No. 156: Dr. Stephenson A. Tomlinson asked the Honourable Minister for Education and Planning how the academic and vocational courses due to be offered by the Community College in September 1996, have been developed.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddien: The courses (programmes) offered at the College in September 1996, fall into three categories: vocational, professional, academic.

VOCATIONAL (ONE YEAR FULL-TIME)

Auto mechanics
Construction
Electronics/Electricity
Professional Cookery
Hotel Operations
Business Secretarial
Business Commercial

PROFESSIONAL (PART-TIME)

Accounting (AAT)
Insurance (CIP)
Banking (CIOB)

ACADEMIC (Full-time)

(a) "A" Level Subjects

History
Geography
Economics
Chemistry
Physics
Mathematics

(b) I Associate Degree - Majors (full-time)

Language
Literary Studies
Social Science
History
Business Administration
Accounting
Hospitality Management
Economics
Computing
Mathematics
Physical Science

(c) II Associates Degrees - Majors (part-time)

Business Administration

Accounting
Hospitality Management
Economics
Secretarial Studies

Step 1: Identification of need for new programme. This need is identified from research done by College staff or by an expressed need from an individual or a local company or a local association.

Step 2: The identified need is assessed and evaluated by college staff to find out if it is broad and widespread.

Step 3.1: In some cases the identified need is narrow and localised. In such cases a contract course is mounted. This is done by meeting with the individual/company/association to assess their need and get input on the content of the course. College staff then draw up a syllabus which is sent to the individual/company/association for feedback. Once approved, the course is costed and then mounted.

Step 3.2: If the need is general and widespread, college staff met with the individual/company/association for further discussions. Members of staff of the relevant department then hold further discussions and undertake further research.

Step 4: The proposal is then referred to the relevant Programme Advisory Committee (PAC) for further analysis and discussions. (Programme Advisory Committees are composed of all members of staff of a department plus representatives nominated by Government and private sector associations).

Step 5: If approved by the Programme Advisory Committee, the programme is costed and a paper prepared for further discussions by the Academic and Advisory Committee (AAC). This paper will contain the following information: justification for the programme, target population, aims and objectives, an outline of the programme, target date for introduction, admission requirements and whether the programme will be internally or externally assessed. If externally assessed the examination board is identified.

Step 6: If approved by the AAC the paper is then presented to the Board of Governors for approval.

Step 7.1: If it is an externally examined programme and is approved by the Board of Governors, it is publicised and introduced at the approved time.

Step 7.2: If the programme is to be internally examined and is approved by the Board of Governors it is then referred back to the relevant department for the preparation of syllabus for each subject. Subject syllabus will contain aims and objectives, programme content, textbook to be used and method of assessment.

Step 8: The prepared subject syllabi are then presented to the PAC followed by the Academic and Advisory Committee and the Board of Governors for approval. Once approved, the programme is publicised and introduced at the pre-determined time.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Would the Minister tell us if the Sixth Form is still in existence at the Community College?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Very much so, despite the misinformation that was put out publicly by the First Elected Member for Bodden Town. That has caused a lot of disruption at the school.

The Speaker: It is now 11 o'clock. If you wish to continue with the remaining questions, I will entertain a motion to suspend Standing Orders.

The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

SUSPENSION OF STANDING ORDER 23(7) AND (8)

Hon. Anthony S. Eden: I move the suspension of Standing Order 23 (7) and (8) so that questions can be taken after 11 o'clock.

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

AYES.

The Speaker: The Ayes have it. Time has been given to conclude the questions for this morning.

AGREED: STANDING ORDER 23(7) AND (8) SUPENDED.

The Speaker: Please proceed with supplementaries. The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: In the answer provided by the Honourable Minister, one of the areas outlined was vocational courses. Can he give us an idea of how successful these classes are?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, the most successful of these would be within the 'A' Levels and the

Associate degrees, Technology, Auto Mechanics, Construction.... May I go back a bit? The most successful is Business Secretarial which has 18 students enrolled; Business Commercial which has 14 student; Electricity with 13 students; and Hospitality Operations with 12 students.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Would the Honourable Member state whether the UWIDITE facility is still in operation and utilised at the Community College?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: That facility is still in operation and continues to be utilised.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. Could the Honourable Minister state the number of contract courses offered by the College?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, the number is estimated to be between 15 and 20 for this year. I do not have the exact figure.

The Speaker: The Member for North Side.

Mrs. Edna M. Moyle: Madam Speaker, I wonder if the Honourable Minister could say if the Government has had any intention of removing the "A" level classes from the Community College?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, no. This was misrepresentation and untruth that was put out. Unfortunately, the First Elected Member for Bodden Town went on television and made statements which caused the College a lot of problems. If the Honourable Member had called me or the College he would have known that this was not so. He did admit afterwards when he found out that it was not correct, but the Member did not go back on television to correct it.

I would like to say also that the College not only has a very good chairman (the Third Elected Member for George Town), but good staff. The Principal of the College, Mr. Basdeo, is very good. The College itself has advanced far beyond my wildest dreams under his headship and the chairmanship. The College is one of Cayman's biggest assets, and it is unfortunate when these

sort of rumours are spread to hurt it, instead of someone looking on the positive side.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. Could the Honourable Minister state the policy regarding the number of students it takes to offer a course?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddin: Madam Speaker, it is four and has always been four during my 20 years of being associated with Education. However, the College has been more flexible, and sometimes with only three students they will run the courses. We need to understand that to put in one teacher for less than that number becomes extremely expensive. The policy has not changed, except that the College has made it better for students, and sometimes comes below the four students rule.

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: Thank you, Madam Speaker. As a follow-up to my previous question, I wonder if the Honourable Minister could tell us how successful the Auto Mechanics and the Construction courses are at the Community College?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddin: The best example I can give is when we were running two courses some time ago in construction. We had an average of between 10 to 12 people in the classes. They came for about a month and learned how to lay blocks and do re-bar, etcetera. Then we noticed that the classes were becoming smaller and smaller. Finally, the number got down to about four students and we stopped the course. We followed up and found out that once they learned sufficient to be able to get a job, we could not get them to return. Some of these people are also subsidised. That is an extreme example.

We do try, but the National Team has made the economy so good and buoyant that people can get jobs easily and keep them. They sometimes put education on the back burner for the time being, which is unfortunate. It makes it harder on the schools to get students to remain in classes, not just in construction, but in areas like auto mechanics and banking. Sometimes success brings side effects.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Would the Minister tell us when the library will be completed and in what ways it will enhance the overall operation of the Community College?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddin: It is almost completed, and the opening will be on 11th October. I would like to add that the people who dropped out of the construction course could attend night classes offered at the College (work in the day and attend school at night), which I know is hard, but we have all done it during our time.

The Speaker: The last supplementary. The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: There was a sum allocated in the 1996 Budget for the Law School to be transferred to the Community College. Could the Honourable Minister tell us at what stage this is going to take place?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddin: I understand that most of this was not needed for this year. The Honourable Attorney-General retained what was necessary for plans for the Law School and the rest of the funds are being transferred (which is most of it).

The Speaker: The next question is No. 157, standing in the name of the Fourth Elected Member for West Bay.

QUESTION NO. 157

No. 157: Mr. D. Dalmain Ebanks asked the Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture what plans have been, or will be, implemented in relation to career training in the Cayman Islands.

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: For years there has been much concern expressed about the absence of consistent training policies and programmes and career development paths for willing and able Caymanian human resources. In fact, in most General Elections (including 1992, and again by many candidates for the 1996 election) this issue has been discussed and has featured prominently in several political manifestos. Calls have been made in this Honourable House, as well as in public forums and the media, for a revamping of the existing system dealing with training and work permits.

It is a well-known fact that this Government is concerned about the training and the long-range career development of able and willing Caymanians as a means of fostering sustainable economic development and continued labour tranquillity. The articulation of well defined and workable human resources development policies and strategies are essential tools for achieving these important objectives.

As Honourable Members should be aware, Government's policy on manpower development and training supports the Caymanianisation of positions within the public and private sectors whenever there are competent Caymanians to fill these positions. This policy further requires that adequate training programmes become common place in order to ensure that Caymanians are able to fill responsible positions, consistent with reasonable career paths and succession planning.

Recognising the deficiencies which exist, and having the will to do something about it, the Governor-in-Council accepted my Ministry's submission that it was timely to refer the matter to an Advisory Committee to fully examine this issue and to propose recommendations, in collaboration with the private sector and the public in general. The Manpower Development Advisory Committee comprising 20 members, representing a broad cross section of knowledge and expertise from the private and public sectors was appointed in July, 1994 and it was provided with broad terms of reference to guide its deliberations.

This Honourable House was kept abreast of the progress on the Committee's work. Honourable Members will recall that in September of 1995, I tabled a document which outlined the recommendations in the said report which Government was prepared to accept. These recommendations provide a "blue print for action" which, when implemented, in partnership with the private sector, can effectively prioritise and address the deficiencies in the human resource development and training infrastructure in these islands. Unfortunately, there have been some delays in the implementation of the long-overdue initiative due to opposition from some quarters of the private sector, particularly, the Chamber of Commerce, which view Government's role in this matter as interference, and seem to be satisfied with the "status quo".

Despite this setback, my Ministry and the Department of Human Resources are co-ordinating the implementation of some of the pre-existing initiatives, as resources allow. Three specific items underway are:

- (1) An apprenticeship scheme: A discussion draft of an outline proposal for an apprenticeship scheme has been developed by my Ministry. The Governor-in-Council gave approval for this discussion draft to be distributed to the Education sector as well as to all associations in the private sector; this public consultation process is still ongoing.

- (2) My Ministry and the Department of Human Resources have launched a scheme for the job placement and reintegration of suitable Caymanian ex-prisoners from H.M. Northward Prison. This scheme is being fine-tuned and implemented in collaboration with willing and suitable employers. Funding for this initiative was approved by the Finance Committee earlier this year.
- (3) For the years 1993 until August of 1996, there were 183 student loans approved, for a value of CI\$3,593,704 made available through the Agricultural and Industrial Development Board which operates under my Ministry, and also through the Guaranteed Student Loan Scheme, which is new and was launched in August 1995 and has already proven its worth as an effective tool in Human Resource Development.

This Government places a high premium on education and training. In 1994 it committed 12 per cent of its total recurrent and statutory expenditure to education. (I should say it has increased each year.) This exceeds comparable amounts in other development countries, and is more in line with figures for developed countries. In this connection there are other initiatives which are outside of my Ministry which are also worthy of mention in regard to this question.

- (4) On an annual basis since 1993 the Education Council has granted an average of 30 scholarships, valued at approximately \$300,000 per annum. Government has also awarded a number of special scholarships: the Cayman Scholarship, the Sports Scholarship, the Tourism Scholarship, and the Impending Cultural Scholarship.
- (5) Government also makes a sizeable commitment to education and training for its own employees, through the Government training unit.
- (6) Governments Education Council Scholarships are augmented by other funds in the form of both scholarships and loans from private corporations, organisations, and associations. These private sector sources account for approximately 20 scholarships and grants per year. Since my Ministry and Government have been, in recent years, re-emphasising the need for a more structured approach to Human Resources Development in these islands there has been more interest and offering of scholarships, grants and study leave. I wish to commend those individuals and businesses which have been proactive and consistent in regard to the human resource development of their employees and other scholars in our community. I,

particularly wish to mention the accounting firm of Ernst & Young that have several Caymanian partners and many qualified Caymanian accountants in their employ; several of our financial and other private institutions; and Caribbean Utilities Company which provides annual scholarships and also have quite an aggressive in-house training programme.

- (7) The Community College of the Cayman Islands represents a very significant investment in both capital cost and recurrent expenditure in the training and further education of Caymanians. The College provides tutoring, classes, Certificate and Diploma courses in Hospitality Studies, Technical Studies, General and Business Studies, as well as the Chartered Institute of Bankers and the Association of Accounting Technicians Diploma. The College started its offering of the two-year Associate Degree in September. This will afford many more students the opportunity to complete the first two years of a four-year Bachelor's Degree at home, at a very reasonable cost.

Now that we have another proper institution of higher learning in these islands, I strongly appeal to all employers to ensure that if at all possible their employees are given reasonable time off to take full advantage of the lectures/tutorials, programmes and examinations offered at the College. I would also urge that there be increased dialogue between industries (as the providers) so that the College is meeting the need of industries in terms of courses and programmes, and that the graduates are being adequately prepared to carry out the duties which are required by industries.

- (8) The Cayman Islands Law School continues to make a significant contribution to higher education in these islands.
- (9) Government also appreciates the contribution which the International College of the Cayman Islands is playing in the area of education and training in Cayman.
- (10) The Immigration Board has, especially in recent years, stressed the importance of training Caymanians for advancement to higher positions within the private sector, particularly, the Board is remaining vigilant in areas such as false (that is unrealistic conditions and requirements) advertising for vacancies, as well as the Board stipulating proper succession planning, and the attachment of "conditions" on particular employers when work permits are granted or renewed, for particularly the larger employers. I reiterate my support for and the importance of these practices by the Board, as it will ensure that able and willing Caymanians are given an

equal opportunity to fill responsible positions in the workplace. This insistence by the Board has resulted in an increased of on-the-job study as well as sponsorship for outside study by employees and other Caymanian scholars.

- (11) Several private sector associations have maintained and intensified their offering of training courses for the benefit of employees of firms within each association. I encourage these organisations to continue their vital work in this area, but to ensure that the courses are certified and recognised within that industry, and that proper career paths are developed in tandem with the completion of a course or series of courses. It is important that associations perform these types of services for especially their smaller business members, who are unlikely to be able to mount a formal in-house course, for example.
- (12) In response to Government's encouragement, in recent years several large employers have appointed training officers or have re-structured their Human Resource/Personnel Departments to specifically pay more attention to human resource and training matters. Government commends these businesses for voluntarily recognising their obligations as responsible corporate citizens, which obviously is an investment to theirs and country's future well being.

Government believes that with the right partnership between the public and private sectors, it is possible to achieve very high standards in education and training in these islands. Caymanians have the ability and the desire to advance in education as well as in their careers; but there must be a shared responsibility to see that equal opportunity is afforded to them.

Investment in the human resources of a country is definitely a great benefit. In a service economy such as ours, investment in education will cause the value of our goods and services to compete in the global marketplace through increased productivity and efficiency of Cayman's human resources. The way forward must be based on a partnership with close communication and appreciation of each other's efforts and expectations.

In conclusion, as I have previously informed this House, Government is in the process of restructuring the Department of Human Resources so that it may more effectively develop and encourage policies and initiatives, in collaboration with the private sector, and using outside expertise as necessary.

The way forward must also include a comprehensive national career development and training initiative which would seek to co-ordinate the education efforts at all levels, secondary, post-secondary, and on-the-job training.

These are the Ministry's achievements as well as the Human Resources Development Plans for taking the country into the 21st century. I trust that all existing and

future members of this Honourable House will lend their full support to these bold initiatives.

SUPPLEMENTARIES

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. Could the Honourable Minister state the process of restructuring the Department of Human Resources?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, the process is in-house as it is within Government, the Budget Management Unit together with the Human Resource Department are planning the restructuring. Those are the main two bodies involved in the restructuring process.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Would the Minister tell us who and what organisations are resisting the implementation of his Ministry's new initiatives to train our people?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: I can only mention those that have come out publicly, and all Members have received the same letter that I received from the Chamber of Commerce which said that our plans are interference by Government. Of course, we have other people, I do not know who they are, but from soundings around I suspect they are objecting to the plans. These plans cannot be put in overnight, they have to be done over a period of time.

I am really not paying any attention to the tripe that the Chamber of Commerce has circulated. What we must recognise is that the Chamber, the private sector, and Government and Members of this House (any Minister, whether it is me or another Minister) will need the backing of the House to put through certain initiatives. No one in Cayman wants to be told what to do, but if this was happening (as the Chamber of Commerce said) on a voluntary basis (and that is the way it should be) then there would not be the need for training today. The Chamber of Commerce is talking nonsense and I hope that Members in their own areas are prepared to stand up and say to the Chamber of Commerce: "Get Thee behind me Satan."

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: I wonder if the Honourable Minister could say what role the Government's Human Resources Department will have in this new initiative for training?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: From the time I took over Labour it has been restructured to the extent where we changed the name and other initiatives were put forward in that area. We have been trying to use that department, not just as a department that takes in complaints, but also a department that assists the employees in healthy dialogue so that we not only have complaints coming in, but where they learned things on the job. This is something that the Department of Human Resources is trying to accomplish.

In answer, I say that it might more effectively develop and encourage policies and initiatives. We will do it in collaboration with the private sector. We have to work along with, for instance, the Chamber of Commerce (the so-called representative of the private sector) because whatever we do will affect them.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: In the Honourable Minister's answer he speaks of the Department of Human Resources having "launched a scheme for job placement and reintegration of suitable Caymanian ex-prisoners from H.M. Northward Prison." Is the Minister in a position to state if Government intends to lead the way regarding the job placement and reintegration of these ex-prisoners?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, when I put this matter to Executive Council they were only too glad to say that the Government must lead the way. I should say (I do not think I will be taking any tale from the schools) that was the first thing the Governor, who is the Chairman, said must happen - the public sector must lead the way.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: For clarity, would this mean that there will be a complete reversal in the policy that exists through the Personnel Department regarding Government employment?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, I cannot answer for the Personnel Department. I can only say (from my observation and the knowledge) that in spite of the Opposition saying that the Government has done nothing in this area, this has already taken place since 1993 with ex-prisoners through the Department of Environment.

The Speaker: The Fourth Elected Member for West Bay.

Mr. D. Dalmain Ebanks: I wonder if the Minister could give the guarantee that when these students return, they will be getting the jobs they have been trained for, and be paid accordingly.

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: That is the intention of Government. This is something we stated as a policy, but that is what the Department of Human Resources will be all about - to monitor and to see that these things are carried out.

I say again, it is not going to be easy, and there is going to be a tremendous resistance from outside.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Would the Minister tell the House whether the scheme to employ ex-prisoners is meeting with any success?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Most private sector employers that we have spoken to are quite willing to assist. Again, I expect that there will be some resistance in some areas, we are not going to get full cooperation. But there are private sector employers who recognise the contribution that they can make and what it means to reintegrate a prisoner back into society. The Prison and the Human Resource Department are the departments co-ordinating this programme and it is working.

The Speaker: The next question is No. 158, standing in the name of the Third Elected Member for George Town.

QUESTION NO. 158

No. 158: Mrs. Berna L. Thompson Murphy asked the Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture what

Government has done to eliminate child and spousal abuse during the past four years.

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: The Department of Social Services sponsored the following training sessions:

- (1) Investigation of child maltreatment via training areas: comprehensive risk assessment with the Institute of Human Services in 1994.
- (2) The effects of child abuse and neglect on child development, Institute of Human Services.

The above sessions were open to the following persons: police officers, crown counsels, medical social workers, psychiatric social worker, truant officer, school liaison officers, in order to improve the skill level of professionals in the identification and working with the victims of abuse.

- (3) Child neglect and child abuse with the University of the West Indies in 1996. This Workshop was attended by the social work manager and a social worker.

Programmes: The Young Parents Programme was implemented in July 1994 and one of the main aims of this programme is to prevent child abuse and to promote responsible parenthood and appropriate care of children. This programme caters to young mothers and their children.

Public awareness: (a) Ongoing education forums in the form of community talks, et al.; (b) Open Line programmes; and (c) Use of CITE for public education on parenting, just commenced.

Financial Assistance: Services are provided to children and their mothers who are at risk to further harm in domestic violence situations (for example, housing, food, and clothing).

Project Development: Establishment of a multi-disciplinary team comprising the Police Department, Health Services, Education Department, Legal Department and Social Services in 1994. The main aim is to develop and implement procedures and policies for the management of child abuse investigations opening up discussions with the schools, Justices of the Peace Association, Medical and Dental Society, to seek their concerns on the management of child abuse.

Spousal Abuse: Financial assistance (such as housing, food and clothing) is provided to victims of domestic disputes. Supportive counselling is made available to the victims to address concerns of poor self-esteem, independence, and job placement. Contact is made with the Police and Legal Departments on the security and safety of victims.

Promoting public awareness through public forum discussions such as the presentation on domestic violence in June 1996, as part of the Beijing Platform for Action.

SUPPLEMENTARIES

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: I wonder if the Minister is in a position to offer any statistical data regarding child and spousal abuse during the past four years?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, that is not readily available.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Madam Speaker, is the Minister satisfied that sufficient legislation is in place regarding this problem, or are there any plans afoot to beef-up legislation or introduce new legislation?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: I believe there is sufficient legislation on the books at present. I am not saying that there cannot be amendments made to suit certain situations. A team is now doing that through the Women's Affairs Unit.

One of the problems that we face in this country is that those people who are abused (whether it is the man or the woman, and sometimes the child) do not come forward saying that they want something to be done about the situation. The officials cannot get the co-operation from the individual. If Government (as sort of a caretaker in the country) is going to do anything about this problem, we need full co-operation from people - father, mother or child - who are abused. We need them to come forward and state frankly what the situation is.

As a representative I have come across this situation. People come to me with certain marital problems, or in cohabitation situations where they have been abused and want me to do something to help, but they are not willing to come forward to the police.

The Speaker: The Member for North Side.

Mrs. Edna M. Moyle: Would the Minister tell the House if there are any plans afoot by his Ministry to provide a building as a half-way house or a place of safety for these

abused men and women, to take them out of the situation and perhaps give them counselling?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: In the past, if we found someone so abused, the Social Services Department housed them in a rental home or a hotel on a temporary basis. However, plans have been made and renovations are being done on an apartment to house abused persons, especially women.

I realise that in the years to come plans will have to be made for another unit, hopefully staffed between Government and the private sector who will assist us with this initiative. I hope (and the society hopes) that we do not regress.

The Speaker: The Member for North Side.

Mrs. Edna M. Moyle: Thank you, Madam Speaker.

Is the Honourable Minister aware that in Canada there is now legislation where when this sort of thing occurs, it is considered a criminal act without spouses going to the police? The court deals with these matters as criminal.

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: That is one of the things the team would be looking at in their examination of the problem of legislation. They will be looking at other areas.

I have heard about that legislation. I do not know whether it could work in this country, but the team certainly will look at it.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Does the Minister know if the fines which are imposed have been increased since we have reviewed the Penal Code?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: I do not have that information on hand, but I will undertake to get it for the Member. However, I would say that since the public forums have been held by the Ministry, the police have reported that they get more reports of abuse and more cases have been taken to the courts. Education is a big and important part of our initiative, we have to educate the public, and that we will continue.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: In the Minister's substantive answer he referred to the Young Parents Programme which was implemented in July of 1994. Could the Minister say if since the implementation of the programme the number of young mothers who have participated has increased, or has the level been on the decline?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: There has been an increase since the inception of the programme. I should say that as I go and visit (sometimes they come to my office) the young mothers and their parents, they have commented that they feel the programme is of benefit to them. One of the things we must take into consideration is that this is not a mandatory institution, it is a voluntary institution. We are considering making it mandatory for very young girls.

The other matter that I have asked the department to look into is to make it mandatory for fathers.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: In the Minister's answer he has stated that "the main aims of this programme are to prevent child abuse and to promote responsible parenthood and appropriate care of children." Is there any leaning towards family planning being taught to these young mothers?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, the Director for Social Services has confirmed what my information is on the programme. Family planning is an integral part, and has been since the beginning. When we started the programme the Public Health Department was involved. The Public Health Department institutes the family planning aspect of the programme. I am very happy to say that there has been no reoccurrence of pregnancy.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Are these young mothers assisted, upon completion of the programme, in finding jobs if they do not have any at that time?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: There is a work experience aspect built into the programme and the academics are taught through the Community College. Young girls have been placed in evening jobs. So there is follow-up by the Department of Social Services.

The Speaker: The Third Elected Member for Bodden Town.

Miss Heather D. Bodden: Thank you, Madam Speaker.

Could the Honourable Minister state the ages of these young mothers who are taking part in this programme?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, the age group is from age 14 through 24.

The Speaker: The Second Elected for George Town.

Dr. Stephenson A. Tomlinson: Would the Honourable Minister elaborate a bit on the success of this programme since its inception?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, the success from our estimation is that some young mothers have gone into the workplace and can maintain their job; some have gone on to further their education through the Community College. The greatest success is the family planning part of this programme; there has been no reoccurrence of pregnancy.

The Speaker: The last question is No. 159, standing in the name of the Third Elected Member for George Town.

QUESTION NO. 159

No. 159: Mrs. Berna L. Thompson Murphy asked the Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture how many homes under the Government's guaranteed scheme have been constructed and purchased.

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Under the guaranteed home mortgage scheme, 52 homes or apartments have been purchased and 52 constructed by approved contractors/developers. This scheme has been in operation since late 1994. The remaining 31 approvals by the Banks and the Government are still awaiting performance

by the contractor/developer, or by the borrower to sign the commitment letter for the respective bank.

SUPPLEMENTARIES

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. In the answer to the question it says that "the homes are to be constructed by approved contractors/developers...." Could the Honourable Minister state the criteria for approval?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: Madam Speaker, first of all the contractor/developer must have a business licence and must be able to provide financing to do the construction. Most of all, they have to have a good track record which the Ministry verifies through several sources, two of which are the Public Works Department and the Planning Department and our investigations as well.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Would the Minister tell us if he is aware of any workers in the banks railroading or impeding this project?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: From what I have been told, there have been some delays which the Ministry thought were unnecessary.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Is the Minister in a position to state some of the reasons why these delays occurred?

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: The information regarding the applicant has caused frustration to the borrower. This, of course, ends up at the Ministry.

The Speaker: That concludes Question Time for this morning. Proceedings will be suspended for 15 minutes.

PROCEEDINGS RESUMED AT 12.28 PM

The Speaker: Please be seated.

APOLOGIES

The Speaker: I have received an apology for absence from the Honourable Minister responsible for Tourism, Aviation and Commerce.

Proceeding with the Orders for today. Statements by the Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

STATEMENTS BY HONOURABLE MEMBERS/MINISTERS OF THE GOVERNMENT

HEALTH INSURANCE PREMIUM STATEMENT -and- WITHDRAWAL OF THE HEALTH INSURANCE BILL, 1996

Hon. Anthony Eden: Madam Speaker, I beg your permission to make a statement to this Honourable House concerning the revised Bill for a Law to Provide for Health Insurance and Health Insurance Regulations.

You may recall that on 11th December, 1995 I tabled in the Legislative Assembly a draft Bill for a Law Relating to the Provision of Health Insurance as a discussion paper. My statement to the Legislative Assembly at the time also included an outline of the anticipated benefits and the maximum premium. The maximum premium was a result of feedback I received from five providers of health insurance coverage in the Cayman Islands.

The range of premiums for children and adults up to age 64 was \$34 to \$55 per month at a 20% co-insurance rate. For those persons aged 65 and over, with 20% co-insurance the range would be \$55 to \$180. Now, the rates will be the same for the 65 years and older, which is what the public wanted most.

I circulated the draft Bill and my statement to many individuals and interest groups and then, based on feedback which I received, I amended the draft Bill and produced draft Regulations for further discussion. These I tabled in the Legislative Assembly 17th July, 1996. I stated very clearly when doing this, that the legislation was not written in stone (and I note that the *Caymanian Compass* newspaper has quoted me on this), and that the draft Regulations were for discussion. I was unable to say at that time what the expected health insurance premium would be, but said that I expected the local providers of health insurance to quote a premium by 26th July, 1996.

Subsequently, Madam Speaker, I advised a reporter from the same *Caymanian Compass* newspaper that I had received some premium quotes and that the average per person was \$60, which included a \$5 contribution

PROCEEDINGS SUSPENDED AT 12.02 PM

towards a scheme for high risk insurance persons.

Unfortunately, the information which I had available at that time did not detail the range of coverage available and it was interpreted that every individual in a family, including children, would have the same premium.

The \$60 per month is the top end price for an individual without any dependants. However, when more than one person is covered, the premium is reduced to less than \$60 per person. I am informed by some local providers of health insurance that premiums per couples or per person and a dependant will be less than that for two individuals. In addition, premiums for families are a fixed price regardless of how many children are in the family.

It should also be noted that the majority of the population will be insured through groups and will therefore receive substantial discounts off the rate of \$60 for a single individual.

Madam Speaker, I wish to emphasise that I am still receiving feedback, especially on the premium. I know that persons in our community need to be assured of that fact and that I have been revising the draft Health Insurance Regulations as a result.

Once the revisions are complete, the insurance companies will provide more precise premium quotes, giving the amounts for individuals, couples, individual with a dependant, as well as families and groups. Also, in all likelihood an actuarial review will be done to substantiate the premium rate.

Madam Speaker, in this realistic and affordable Health Insurance Bill, we have avoided the disastrous weakness of the last Government's 1992 Health Care Insurance Law, which seemed to offer all things to all people but which would in reality have proved unworkable and been able to offer nothing to anybody.

This new Bill with its Regulations provides for one premium to cover all age groups, whether a person is under or over 65. The 1992 Regulations set the premium at \$45 for the under 65 age group and a horrendous \$179 for those over 65. It is a mark of a decent and civilised society when the young and able bodied work force helps to cushion the twilight years of our valued elderly citizens.

I wonder what tiny percentage of our over 65 citizens could possibly afford \$179 per month. By setting this impossible premium rate, the Member responsible in the last Government in effect wrote off a generation of elderly people as easily as he said he was prepared to write off a generation of younger people who had unfortunately strayed into the perils of substance abuse.

Madam Speaker, this is an affordable, workable Health Insurance Bill designed to meet as comprehensively as is realistically possible, the needs of all our citizens and residents, at the same time lifting some of the heavy burden of paying for health care provision off the shoulders of Government.

In producing this Bill and the Regulations, we have worked closely with the insurance companies who, after all, are the ones who will be providing the coverage. In 1992, the insurance industry had the \$45 premium forced

on them by the Member then responsible for Health. They had no say in the matter. They were threatened with losing their licence to operate, if they did not submit to his will and provide unrealistically broad coverage for a premium which everyone (except he) knew would have driven them out of business.

One way or the other, either through bankruptcy or losing their licences, the health insurance companies would have gone out of business thereby removing any possibility of coverage being available, either to the thousands who already had excellent coverage or to those seeking it for the first time. The only alternative would have been to buy it from overseas companies, which can itself be a risky proposition.

Madam Speaker, the world of the Member for Health in the last Government is different from the real world. The real world is a place where people listen to and respect each other's point of view, where negotiation not dictatorship achieves lasting results; where a willingness to compromise and work with people for the good of the country results in long term benefits for all. This is what this Government has done in drawing up this Bill and the Regulations that accompany it, and no amount of mischievous misrepresentation by Team Cayman can alter that. They are urging people to "stop the madness" but in truth, and fortunately for our blessed country, the real madness was stopped by the sensible electorate in the General Election of 1992.

Madam Speaker, I would like to thank you for this opportunity to clarify the question of health insurance premiums. This Government is one which listens to and is responsive to the concerns of the general public, and in light of the fact that feedback is still coming in, we have decided not to press forward with the health insurance legislation at this time.

SHORT QUESTIONS Standing Order 30(2)

Mr. Gilbert A. McLean: Madam Speaker, may I ask a question of the Minister making the statement?

The Speaker: You certainly may, under Standing Order 30(2), a question can be put to the Minister for purposes of clarification.

Mr. Gilbert A. McLean: Would the Minister say on the basis of what fact does he state that the insurance companies would have gone out of business had they offered an insurance coverage as was proposed by the last Government for the premium of \$45 per month?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony Eden: As it was put to me, the premiums were so unrealistically low for the benefits that were going to be provided within a very short period of time, the premiums would have sky-rocketed under the law, the premium being mandatory at \$45 per month. They

either had to stick with that or not offer insurance coverage in the islands.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Could the Minister tell the House if his Ministry, or the Government, has had the benefit of an independent Actuary to determine whether the insurance companies now will be making much more profit than they will be offering coverage for with the premium which they propose to charge?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony Eden: As I said before, once we give them the final package and the benefits we expect, we will have the premium reviewed by an Actuary.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.
Is the Honourable Minister in a position to say when the Bill and Regulations will be ready for the public?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony Eden: Not at this time, Madam Speaker.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Thank you, Madam Speaker.
Is it the case that to this point in time, the Government has not engaged the services of an independent Actuary to review the present situation with the National Health Insurance?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony Eden: We have spoken to them, but we have not actually engaged their services.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Is the Minister presently in a position to compare the proposed benefits coverage and also the other things that go with the proposed Bill versus the old Health Insurance Law? Can he enlighten us at this point in time?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony Eden: In our review of the Insurance Bill and Regulations, the main concern of the public was the \$60 premium for all people. Also, the ability of not only going to the hospital here, but being able to go to the doctor of your choice at a private health clinic.

The Speaker: The Member for North Side.

Mrs. Edna M. Moyle: Thank you, Madam Speaker.
Would the Honourable Minister explain the \$60 per month top end price for an individual with no dependants. Is it going to be borne 50/50 by the employee and employer?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony Eden: That is correct.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.
Can the Honourable Minister tell the House what provisions will be made under his proposed Bill for those people normally considered high risks, or uninsurable, that is, those with pre-existing conditions?

The Speaker: The Honourable Minister for Health, Drug Abuse Prevention and Rehabilitation.

Hon. Anthony Eden: This is also one of the areas that we are looking at in great detail. I am not in a position to make a statement at this time.

The Speaker: We will proceed to Government Business. Bills First Reading s. Suspension of Standing Order.
The Honourable Second Official Member.

SUSPENSION OF STANDING ORDER 46

Hon. Richard H. Coles: I beg to move the suspension of Standing Order 46 to enable the Proceeds of Criminal Conduct Bill to be read, notwithstanding that the full period of notice has not been given.

The Speaker: The question is that Standing Order 46 be suspended in order that we may proceed with these two Bills.

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

AYES.

The Speaker: The Ayes have it. Standing Orders are accordingly suspended.

AGREED. STANDING ORDER 46 SUSPENDED

GOVERNMENT BUSINESS

BILLS

FIRST READINGS

PROCEEDS OF CRIMINAL CONDUCT BILL, 1996

Clerk: The Proceeds of Criminal Conduct Bill, 1996.

The Speaker: The Bill is deemed to have been read a first time and set down for Second Reading .

MONETARY AUTHORITY BILL, 1996

Clerk: The Monetary Authority Bill, 1996

The Speaker: The Bill is deemed to have been read a first time and set down for Second Reading .

I think that since it is a quarter to one, I propose to suspend proceedings until 2.30 pm.

PROCEEDINGS SUSPENDED AT 12.44 PM

PROCEEDINGS RESUMED AT 2.40 PM

The Speaker: Please be seated.
Second Readings.

SECOND READINGS

PROCEEDS OF CRIMINAL CONDUCT BILL, 1996

Clerk: The Proceeds of Criminal Conduct Bill, 1996.

The Speaker: The Honourable Second Official Member.

Hon. Richard H. Coles: Thank you, Madam Speaker.

I beg to move that a Bill entitled, A Bill for a Law to make new provisions for the powers of Criminal Courts, including provisions for the recovery of proceeds of certain serious criminal offences and for connected purposes, be given a second reading.

The Speaker: Please proceed, Honourable Member.

Hon. Richard H. Coles: In 1986, the Cayman Islands negotiated a Mutual Legal Assistance Treaty with the United States of America. In 1989 this House passed amendments to the Misuse of Drugs Law which dealt with money laundering offences concerning the proceeds of drug trafficking. Now, in this legislation which is before the House today, that is being enlarged to cover all serious crime.

Cayman is (as is well-known) the fifth largest banking centre in the world. We know how to live up to our responsibilities. The problem of international crime is a world-wide problem and it exists here in Cayman as in many, many other countries and certainly those that have a developed financial system like we do. The only way it can be tackled is on a world-wide scale. That requires cooperation between those countries who participate in the financial services industry. That is really the whole purpose behind this legislation.

The Misuse of Drugs Law and its legislation dealing with the proceeds of drug trafficking has been very successful, but it has its limitations. The obvious limitation is that it only relates to drugs offences and it is not always possible to show that money which undoubtedly has come from criminal acts is in fact the proceeds of drug trafficking and not proceeds of other criminal offences. The Law has been deficient to that extent.

It is an opportunity today for this legislature to remedy that deficiency and to ensure that all serious crime is covered and that the criminal is not able to profit from his criminal acts.

Unfortunately, it is very often that the individuals who end up in court being charged with criminal offences are not necessarily those who have masterminded those offences; not those who have orchestrated those offences, but people lower down in that organisation. It is a fact that in criminal organisations those people are expendable. To the organisation itself, to those who are in charge of it, having those individuals sent off to prison for a very long time is merely one of the acceptable risks they run to conduct their enterprise.

The world has decided that the way to target those individuals is through something that they do understand, that is, profits from the actions they undertake. That is where this legislation fits in to the world-wide pattern of tackling this type of crime. Following a conviction after a prosecution for a serious criminal offence (I am talking about offences that are already here in our Penal Code), the court will be able to confiscate those illicit proceeds. They will not flow back to the organisation or, indeed, to the head of that organisation but will be denied to him.

It is hoped and intended that in this way the organisation itself will be punished and that it will be a lesson which we hope will make the risk of committing those types of offences no longer worth doing, and will persuade them that they should stop that particular activity.

It would certainly be naive of me to say that passing this legislation in Cayman is in one stroke going to achieve that, but it is all part of the web that will do so. The point that I made at the outset is that Cayman is living up to its international and world-wide responsibilities.

In addition to the reasons that I have just given, the Financial Action Task Force, of which I am certain Members are fully aware, and, indeed, the Caribbean Financial Task Force, in which the Cayman Islands play a leading role, have both said right from the outset that the legislation which was originally envisaged by the Vienna Convention on Drugs, and which gave birth to the 1989

amendment to the Misuse of Drugs Law, should be extended to all serious crime.

With your permission, Madam Speaker, I intend to read the recommendation from the Financial Action Task Force, and the Caribbean Financial Action Task Force, saying exactly that. The recommendation in the Financial Action Task Force, recommendation number 5, says, under the definition of the criminal offence of money laundering and the main heading of 'Improvements of National Legal Systems to Combat Money Laundering':

"Accordingly, each country should consider extending the offence of drug money laundering to any other crimes for which there is a link to narcotics. An alternative approach is to criminalise money laundering based on all serious offences and/or on all offences that generate a significant amount of proceeds, or on certain serious offences."

You will discover that as I proceed through this Bill, it is the second recommendation, the second course of action which Cayman has chosen.

The Caribbean Financial Action Task Force reiterates that recommendation in their recommendation number 2., headed 'Crime of Money Laundering.'

"Consistent with recommendation number 5 of the Financial Action Task Force, and recognising that the objectives of combating money laundering are shared by members of this conference, each country in determining for itself what crimes ought to constitute predicate offences should be fully aware of the practical evidentiary complications that may arise if money laundering is made an offence only with respect to certain very specific predicate offences."

I do not intend to read any further, but I think it is important for Members to appreciate that the impetus for this extended legislation goes back some considerable time. Some countries have already put this in place - not many, I have to say, at the present time.

Regarding the Bill itself, Members have noticed, I am sure, that the Memorandum of Objects and Reasons is very different from what they have been used to in the past. It goes into considerably more detail in terms of giving summaries of the various clauses or sections in the Bill. It is a format which I intend to have carried through to all future legislation, and I hope that it will be of benefit to both Members of the House and to members of the public. It is designed so that one can pick up a copy of the Bill and within two or three pages understand the main purpose of each section and each clause.

Of course, if you wish to go into detail you must turn to the individual section of the Bill. I understand that not everyone has the time, nor the inclination, to do that. I hope that it will be of benefit to people who can then get some understanding of the Bill with only a limited amount of reading and time to do so.

For that reason, I do not feel it necessary to go through this Bill section by section. I think the Memorandum of Objects and Reasons does that very adequately. I propose to highlight those areas and clauses that I think are important for Cayman and for Law Enforcement, and

important for the Financial Services Industry here, and to go into more detail on those particular clauses. However, if any Member has anything that they are unsure of on a section that I have not dealt with, I shall be happy to do my best to answer whatever questions they raise when I sum up.

I would also like to mention that, regrettably, there have been a number of amendments that have been set down for Committee stage. In fact, a total of 19 amendments. Members should have had copies of those. However, to allay any concern, those amendments are purely and simply technical amendments that are necessary where numbering has to be altered or where typing errors have been made, or where cross-references to sections and clauses have been discovered to have been wrong after the various alterations and consultations have taken place on the Bill. If anyone thinks at first glance that there seems to be an awful lot of them, that is all there is. There are no amendments of substance to the legislation at all.

I should also like to apologise to the House for the fact that I was unable to give the requisite 21 day notice before bringing this Bill to the House, so was obliged to request the suspension of Standing Orders, for which I am very grateful for the indulgence of the House. However, I do not think that anybody can say that there has been insufficient time for members of the public or members of the Financial Services Industry, or any other area of the private sector, not to have been aware of the content of this legislation.

The consultation process has been very full and very complete and has been ongoing since May of 1995. Many meetings have taken place and I would certainly like to commend the time that has been taken by members of the private sector. I do not intend to mention names today because I think it would be invidious to do so; there were so many people who put in time and effort. I am grateful to them, and I know that the Government is grateful to them. It is certainly an example of the partnership that government and private sector working together to achieve a common aim in the legislation that you see before you today.

That consultation culminated in a joint private sector/Governmental visit to London in July this year, when a very helpful meeting took place with officials from the Foreign Office, the Home Office and the Treasury in London. I think it was very helpful to clarify the way in which very similar legislation is implemented in London and answered many questions that we had. I think it gave reassurance, not only to those who attended, but, after they had returned and were able to communicate what had happened at that meeting, gave reassurance to others here in Cayman who were not at that meeting.

This legislation is based very substantially on the Criminal Justice Act of England, but tailored to meet the individual requirements of the Cayman Islands. It therefore follows the same format as that amendment to the Misuse of Drugs Law which I referred to before. It made eminent sense to follow that same format for a number of

reasons, one of which was that we were (and we are) extending the offences in the Misuse of Drugs Law to encompass all serious crime. We have experience in implementing or administering that legislation in the Misuse of Drugs Law. By 'we,' I mean the Government, the Prosecution Service which falls under me, the Police, the Judiciary and, by no means least, the Financial Services Industry. It is something which we are all familiar with.

The other advantage is that because Cayman in its Courts and the Judiciary takes notice of judicial precedent in the courts of England and Wales, that is to say cases decided in England and Wales, it means that to a great extent we can take advantage of the experience and the cases that have already gone before in England and Wales and derive benefits from those here.

It also has the advantage of them giving a greater level of certainty to those who have to operate with this legislation knowing that certain areas have been tested and have been the subject of judicial decisions.

The Cayman Islands is certainly one of the first jurisdictions in the Caribbean to enact this type of legislation; for that, Cayman should be very proud. It shows that Cayman is a responsible and mature jurisdiction. However, all the British Dependent Territories, and the Crown Dependencies (by that I mean the Channel Islands, the Isle of Man, other financial services jurisdictions) all will be obliged to enact this type of legislation in no less stringent a form than what you see in front of you this afternoon. The United Kingdom Government has confirmed that they will ensure that this is so, and that this legislation will be required to be put in place in a reasonable length of time.

But, my advice to Members today is that there is nothing to be afraid of in this legislation, nothing to be afraid of for Cayman in this legislation. This is a positive piece of legislation that can do nothing but good to Cayman as a financial jurisdiction. The only people who have cause to fear, are the very individuals whom we wish to fear it - those who may be subjected to sanctions under it.

The Misuse of Drugs Law, has worked extremely well for the six years it has been in place with these amendments. Drugs and drug trafficking is still a major, if not the major, scourge of civilised society. I certainly do not minimise that at all. But when this legislation was proposed back in the mid-to-late 1980s it was seen as not just the top priority, but I think the only priority. Countries have recognised now that yes, of course it is still a major problem, but it is not the only problem.

Another scourge that is fast catching up with drug trafficking is callous investor fraud which seeks to deprive people of their money by fraudulent means. That causes in many instances no less distress. It is this legislation which will enable us to be just as tough on this sort of unscrupulous crime as we have been in the past on drug trafficking.

This Bill is divided into three parts. I intend to deal with each part in turn. The first part can be dealt with very quickly. It really just deals with the preliminary definitions that are used throughout the Bill itself. The part that actu-

ally deals with the meat of the legislation are Parts II and III. Part II deals with the domestic application of the Law and Part III deals with the enforcement of overseas orders. If I can deal with Part II first, and as I said, I am not intending to go through this section by section, but to deal with certain points that I think require further clarification or that are of particular importance and that I think would benefit from my speaking about them this afternoon.

The way I intend to approach it is to go through point by point. We will not necessarily work our way chronologically through the section numbers, but what I will do when I deal with a certain point is tell you the section or clause that contains that so you can refer to it if you wish to. I may, indeed, refer to it as I go through it. But we shall not be working our way through in numerical order.

The main offence dealt with in Part II, which is the domestic application, are offences that can be committed in the Cayman Islands under this legislation. It is basically this (and this can be found in section 21): if a provider of financial services suspects that his customer or client has been engaged in, or is engaged in, or benefited from crime (a crime that is covered by this legislation), and he proceeds with whatever service he has provided, then he commits an offence under this new legislation.

He protects himself by reporting that suspicion to the Reporting Authority. That is all he has to do. He does not have to take any other action, just report it to the Reporting Authority. Once he has done that the transaction can continue, if that is what he wishes to do. Of course, it is entirely a matter for him if he wishes to continue with the transaction, but there is no criminal sanction if he wishes to do so, provided that he has reported it first.

We have also inserted in that clause in section 21(3) (which is the section that deals with the Reporting Authority), that providing that the report is made no criminal offence is committed. But it also goes on to say that that report will not give rise to any civil liability. What that means is that the service provider does not have to worry that he would find himself being sued for giving out that information provided it is given to the Reporting Authority. He can give that information in accordance with the Law, he protects himself from any criminal offence and there is no question of being under any civil liability.

The reason for that reporting being a defence, which is there naturally to encourage those service providers to report, is that it enables the Reporting Authority and/or the police, if it goes to the police, to keep track of that transaction. It allows them to follow what has become known as the 'paper trail'. That is essential if confiscation orders are going to be made confiscating the proceeds of the crime. It is essential that those proceeds can be traced. So, the reporting of a suspicious transaction in the circumstances I have outlined is absolutely crucial to the investigation of this type of crime.

The Reporting Authority itself is appointed by His Excellency the Governor. That is under section 20. The appointment is by the Governor acting in his discretion, not the Governor in Council. That has been done deliberately by the Government to remove any possibility or thought of political interference in what will be an ex-

tremely important authority with considerable responsibility. There are also restrictions on further disclosure by that Reporting Authority. That is contained in section 21(6). In fact, there are different restrictions depending upon whether the Reporting Authority is disclosing to other authorities in the islands, or whether they wish to make a disclosure overseas. In the latter case it can only be done with the consent of the Attorney General.

The crimes that are covered are what I call the predicate offences. In other words, the crimes from which these elicit proceeds flow are described in section 5 (7)(c), and they are all indictable offences which I think we would say were our definition of all serious offences. Indictable offences are those that are impetus by a judge and jury as opposed to by Magistrate in the Summary Court. They are generally the more serious offences. It covers all those offences, with the specific exception of drugs offences. That is because, as I said, the Misuse of Drugs Law already deals with drug trafficking offences and the proceeds of those crimes. We have chosen to leave those offences in the Misuse of Drugs Law and so drugs offences remain there and are specifically excluded from this legislation.

There are a number of different domestic orders that can be made in the Cayman Islands Courts which are allowed and empowered under this legislation. The first is Restraint Orders, which is covered in section 9 and section 10. Restraint Orders have the effect of maintaining and keeping in place proceeds that are in bank accounts or in immovable property, whether it is a house, or land, or a boat, or any other asset. It has the effect of freezing that asset pending the trial of the case. Of course, if you think about it, it is only logical that such an order should be possible because if you could not apply for such an order, then by the time the trial was finished and the judge made his deliberation, the money would have gone. It would have flown somewhere else and the confiscation order would be a complete waste of time.

So it is necessary at a given time, and the law tells us when, that an application can be made to the court for a restraining order freezing those assets so that eventually they can be dealt with by the trial judge, if, of course, the individual is convicted. If he is not convicted, the restraining order is lifted, property reverts to whoever owned it in the first place.

We then come to the confiscation orders themselves which are section 6 and 8 in the Bill. They are made at the termination of the criminal proceedings once a guilty verdict has been given, otherwise they would not come into effect. They are in addition to any penalties the judge might impose upon the convicted man. So the judge has power to imprison, depending on what the offence is. (Well, all these offences would carry a sentence of imprisonment.) So, he would have a power to imprison, the power to fine and now the power to make sure that the convicted person cannot retain the profits of his crime, but loses them. That is what a confiscation order is.

Sometimes, in order to enforce a confiscation order, the court will have to make a charging order, which is

covered in section 11. The charging order works, in simple terms, a bit like having a mortgage or a charge on your house. Many people have those and understand how that works. It means that if a confiscation order is made for a particular sum of money, and the asset is... well, we will use the illustration of a house... then the court causes a charge to be registered on that property and in the same way that you have a mortgage on your home, if you sell your home you have to pay off the lender. You would have to pay off this charging order.

Sometimes it is possible for the person or the court imposing that charging order to require that property to be sold so that the amount can be paid over. There are also ancillary provisions in the Law in respect of receivers who would be appointed by the court to actually sell the property under a charging order. But I do not intend to go into the details of those unless a particular Member wants me to.

A point that I know is very important to the finance industry, and I am sure to Members as well, is that secured creditors are protected under this legislation which means that when a convicted person's property is being assessed (and we call that "realisable property" in the Bill) and valued, any secured property is left out of that calculation to the extent of the security. So there is no question of someone who in good faith has lent money on the security of a property, whether it is real property, like a house, or if its on the security of a negotiable instrument or share certificates, or whatever it is. If that is a secured debt and has been properly registered and properly legalised then it is protected. The confiscation order will not affect that secured property. That is something about which we had much discussion with the private sector and the information they were able to give us about how that might affect Cayman, and how we were able to resolve that issue was extremely helpful.

Section 20 of the Law also deals with what we call a "Code of Practice." The Law provides that the Governor in Council may issue a Code in Practice. That is to be dealt with by the different areas of the Financial industry in Cayman, preparing their own Code of Practice based upon their knowledge of their industry. That Code will then be submitted to the Governor in Council through my office and, provided it meets and is approved by Executive Council, then it will be issued by them as a Code of Practice under this Bill. The purpose of that is to give some practical guidance to those members of the Financial industry here in Cayman as to compliance with the Law to try and be helpful and come up with some practical suggestions so that they can fully and completely comply.

The other section I want to particularly mention is section 2, subsection (4). This is another very important section because it spells out that this Law is not retrospective. What that means is that the Law will only affect and bite on offences that are committed after it has come into force. It means that there is no requirement for trolling back through past transactions to see whether or not they comply with this legislation. What we are saying is

that we are looking to the future, and we will put this legislation in place, I hope with the concurrence of Members of this House, and the Code of Practice that will be issued under it. But we are not going back into past transactions.

I know there was a fear that that could involve considerable amounts of work by institutions in Cayman. That is not the objective of this legislation. That section clearly says so.

I now want to deal with Part III, the Enforcement of Overseas Confiscation Orders. This will only apply to countries that have been designated by the Governor in Council. Until they are designated, they cannot be assisted by this legislation. It is proposed that the United Kingdom and the United States will be designated. That mirrors the situation in the Misuse of Drugs Law where those two countries are designated for exactly the same purpose for enforcement of their confiscation orders made in their courts.

The predicate offences, that is, the offences from which the criminal proceeds flow, are the same as in Part II of the Law, the Domestic Offences, all indictable offences. That means all offences that are indictable in Cayman. But there are some further restrictions on that which apply to Overseas Confiscation Orders.

Firstly, there is a minimum amount for which a confiscation order can be made. That minimum amount is C\$30,000. There is no minimum amount for domestic offences. That is in section 30 subsection (1). I forgot to say that the designation of countries is under section 29 subsection (1).

There are some further qualifications as well. Probably the most important is dual criminality. This is very familiar to those who have looked at the Misuse of Drugs Law and other statutes dealing with international crime. It is covered in section 21(10) of the Law. It means that it is not sufficient for the circumstances giving rise to the offence to be an offence in the designated country, but also, those circumstances have to give rise to an offence (not necessarily the same offence, but an offence in Cayman), or would give rise to such an offence if it had taken place in Cayman. What that means is that Cayman only recognises offences equivalent to our own law. That is a very important safeguard because it maintains the integrity of our own legal system and means that we can be certain that the only predicate offences that we are countenancing under Part III are offences that are already known to Cayman that have been passed and are enshrined in legislation in Cayman.

There is a further qualification which is tax or fiscal offences. These are expressly excluded and the terminology used is the same wording as in the Mutual Legal Assistance Treaty. I have to say that tax offences would be excluded in any event by the dual criminality test, because we do not have any direct taxation here in Cayman and so there are no equivalent tax offences here. So, an overseas offence based on tax would not find an equivalent offence in Cayman. It would fail that test. But, just to put this beyond any shadow of doubt, it is included in the schedule at clause 3(1)(b).

If you read that schedule and that sub-clause you will see that the wording is the same as in the Mutual Legal Assistance Treaty. I have a copy of that Treaty with me. I do not intend to read it, but I will tell you that the relevant article in the Treaty is Article 19, clauses 3(d) and (e). You will find that the wording is virtually identical.

The reason that I have stressed that is because I know there is some concern that Cayman could find itself enforcing legislation passed in other countries. I hope that I have demonstrated that that cannot happen unless it conforms to the qualifications that I have given you. Of course, in those circumstances it is only right and proper that we do enforce those orders, because otherwise we would be frustrating the criminal justice process, and we would be allowing someone who had been convicted of one of these crimes to keep the illicit proceeds of their crime - something that under this law we would not countenance in Cayman. If we are not prepared to countenance it in Cayman, why should we countenance it anywhere else? And why should we allow our financial services and finance industry to be abused in that way? So, it is very important that we do have that power.

The application which has to come before the Grand Court to register an overseas confiscation order is made by the Attorney General on behalf of the designated country. It is not open for that country to instruct its own lawyer to come to Cayman and make application, it has to be done by the Attorney General on behalf of the country. That is in section 30.

Section 32 sets out the requirements that have to be met by that country when a request is put before the Attorney General, the sort of information that has to be included in the request.

I want to turn to some of these sections because I think it is important. Section 32 sets out that the requesting country has to produce a certificate stating various matters that the Attorney General has to be satisfied of before proceeding any further. If you look back to section 30(3), you will see that there is a provision there that where the Attorney General issues a certificate to the effect that it would be against the public interest of the islands to register such an order, that is the end of the matter. It never gets to court. So there are many safeguards that will ensure that this law is helpful, and does not hinder either the country or the financial industry here.

I believe that I have covered the points that I wanted to emphasise. I am very conscience of the fact that I have only selected certain parts but even so I have mentioned a number of section numbers, and I do not want to go into too much detail unnecessarily. The Memorandum of Objects and Reasons will assist Members with that.

Perhaps it would help if I said that the remarks I have already made about restraining orders, orders freezing assets pending the termination of the trial itself, could be applied for also on behalf of a designated country. The application, again, would be through the Attorney General, and certain criteria would have to be met. That is in clause 6 of the schedule. That is exactly for the same purposes as in domestic offences, to ensure that

when the trail is finished, those assets are still *in situ* and can be the subject of a confiscation order.

The charging orders I mentioned are also available to enforce an overseas confiscation order and are covered in clause 7 of the schedule.

Madam Speaker, I believe that this legislation reflects the world-wide concern with international crime. Any legislation of this nature is exercising a balance between the rights of individual privacy with the need for disclosure in the public interest. It is not an easy balance to achieve, but I believe that this legislation does achieve it. I think that the right of individual privacy is still fully protected within this legislation.

The law will require, in order for a financial service provider to comply with it, that he is dealing with legitimate business; that checks, often referred to as 'know your client checks' are done on customers and clients and on new business. But those checks are already in place under the voluntary code that has been in force here in Cayman for many years, and under the Misuse of Drugs Law which contains very similar provisions but related only to drug trafficking offences.

The financial institutions here in Cayman are already implementing those checks. I do not believe that there is a need to put in place any further bureaucracy that could delay transactions. The checks are there. If they have been effective under the present voluntary code and Misuse of Drugs Law, they will be equally effective under this new legislation.

It is also true that of the larger institutions in Cayman, particularly the banks, many (if not all) have their head offices in countries and jurisdictions where this type of legislation is already in force and has been for some time. Those banks are therefore fully conversant with this type of legislation. I believe there will be no surprises in this Bill for them. I am confident that the measures advocated by this legislation are already in place, and have been for quite some time.

The only business that Cayman will lose by this legislation is the very business that it does not wish to attract in the first place. When this legislation has passed, Cayman will be looking at other countries that are perhaps reluctant to pass and enact this type of legislation and we will be asking the question (with good reason): Why?

I commend this Bill to this House.

The Speaker: The question is that a Bill entitled the Proceeds of Criminal Conduct Bill, 1996, be given a second reading. The motion is open for debate.

The Honourable Third Official Member.

Hon. George A. McCarthy: I rise in support of this Bill entitled, A Bill for a Law to make new provision for the powers of criminal courts, including provisions for the recovery of the proceeds of certain serious criminal offences; and for connected purposes.

I will not be going into the details of the Bill, as this has already been done by the Honourable Second Official Member. However, because it has certain implications for the financial industry (hopefully favourable impli-

cations) I thought it would be useful to share some thoughts on this piece of legislation, and to also take a look back in time to see various pieces of legislation we have put in place which preceded this which have helped to shape our financial industry and bring it to where it is today.

When Her Majesty Queen Elizabeth opened our Legislative Assembly in 1994, she said, "The financial sector remains the key to a successful future for these islands. My Government is determined to maintain a financial services industry of high quality and integrity through strict adherence to prudent policies.". This quote from Her Majesty's message aptly describes the commitment of this and past Governments of these Islands in maintaining the integrity of our financial industry by protecting the legitimate expectations of privacy of persons using our financial industry, while at the same time incorporating and rendering assistance to other governments in international criminal matters such as money laundering.

A brief walk through the history of our financial industry will show that our commitment to protecting the privacy of legitimate business dealings, while at the same time deterring the abuse of our financial centre by unscrupulous investors, dates back to 1976 when the Confidential Relationship Preservations Law (CRPL) was introduced. This Law (for which we are criticised in some instances by persons who have heard of it, but who have not read it, and in other instances by persons who have read it but do not understand it) essentially allows for the guided disclosure of information. At worse, the CRPL renders the trading in, and misuse of, confidential information a criminal offence. However, I would like to emphasise that it does not allow for those who are involved in criminal activities to successfully hide behind provisions, although evidence does arise from time to time that some have done so.

I should hasten to point out that in instances where abuse has been detected, such instances invariably culminate in distress to the abusers as their assets are likely to be put at risk.

The Cayman Islands, having gleaned by its experiences and those of others, recognises that money laundering is the life's blood of drug trafficking. As a consequence, as early as 1984 these islands, through an exchange of letters with the United States, entered into what is referred to today as a gentlemen's agreement. It should be noted that entering into this agreement preceded the initiatives of the United Nations which convened a conference in Vienna in 1985. Between that time and 1988 emerged what is referred to today as the Vienna Convention. This gentlemen's agreement was followed shortly thereafter by the introduction of the Narcotics Drugs Evidence United States of America Law, or what is referred to as the Narcotics Agreement, and as referred to by the Attorney General in his presentation.

This legislation was enacted to facilitate the obtaining of evidence required in, or for the purpose of investigations and proceedings being conducted in the United

States. It was then agreed between the Government of the Cayman Islands and the United States that if the Narcotics Agreement worked satisfactorily, our Government would negotiate a wider enforcement treaty to cover crimes other than narcotic offences.

In July 1986, the treaty relating to Mutual Legal Assistance (MLAT) in Criminal Matters was introduced. Offences covered under the MLAT are racketeering, drug trafficking, failing to report transfers of illegally acquired funds, insider trading and the violation of the Foreign Corrupt Practices Act.

Also, prior to the United Nations Vienna Convention in 1985, the Cayman Islands enacted the Misuse of Drugs Law in 1983. As Members of this House will recall, this legislation was re-enacted in a revised form last year. Under this legislation in its revised form, a person is guilty of an offence if he/she knowingly, or having reasonable grounds to believe that any property represents a proceeds of drugs trafficking, renders assistance in the concealment of such property, or facilitates its removal from the jurisdiction to avoid prosecution by any person, is guilty of a drug related crime.

Following the promulgation of the Vienna Convention in 1988, the G-7 countries met in 1989 to consider the recommended measures embodied in the Convention. The result of the meeting by the G-7 countries was the formation of the Financial Action Task Force, or what is today referred to by the acronym FATF. The FATF formulated 40 recommendations to give effect to the Vienna Convention. A broad summary of these measures is as follows: Criminalisation of money laundering; seizing and forfeiture of illicit proceeds; reporting suspicious transactions; regulating banking and non-banking institutions and assisting other governments in financial information.

In 1993, the Caribbean Financial Action Task Force, or what is referred to as the CFATF, was formed within the region as a body to mirror the Financial Action Task Force and to consider how best the 40 recommendations developed by the FATF could be implemented. From the inception of the CFATF the Cayman Islands has played an integral role in its activities. In 1994, we volunteered to be the first country in the region to open our regulatory systems to outside scrutiny in accordance with the FATF's recommendations. The CFATF's appointed evaluators concluded their report by stating that the Cayman Islands had implemented the full range of the FATF recommendations.

In addition to the CFATF evaluators' findings, in 1995 the United States Department produced a report entitled "The International Narcotics Strategy Report," which showed the Cayman Islands, Italy, United Kingdom and United States of America to be the only countries out of a list of 33 priority governments to have met all of the goals of the Vienna Convention.

The preceding initiatives amply demonstrate a firm and ongoing commitment by these islands to ensure that the financial transactions embraced by all institutions comprising our financial centre are legitimate and derived from scrupulous sources. The primary message to any existing (or would-be) wrongdoers is that they should

look for financial centres other than the Cayman Islands to shelter their illicit gains.

We have made several strides forward. At this time we cannot look back. As the Attorney General pointed out, today we are ranked fifth among the largest financial centres in the world. This carries with it certain obligations. We have demonstrated our stewardship, we have demonstrated our commitment, we have demonstrated our pioneering spirit; and we have shown that prior to the United Nations moving forward and initiating activities to consider difficulties and problems arising from drug related crimes and the confiscation of assets of persons who perpetuate such crimes, we took action as early as 1984 with an exchange of letters with the United States of America.

This Bill has my full support.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

I suppose one can say that this Bill coming to the House at this time brings relief, since for some time now there was wide-spread anticipation regarding this Bill and its implications.

The position of the Cayman Islands as a ranking international financial centre carries with it the obligation and expectation that it will be responsible in terms of the efforts which it exerts, and the legislation it enacts to maintain its good reputation and attractiveness, and also to avoid punitive actions on the part of the international community.

As has been outlined by the Honourable Third and Second Official Members, it would seem that the Cayman Islands has never shied away from bearing this responsibility and these obligations. One can say that what we commonly refer to as the Proceeds of Criminal Conduct Bill is a step in this continuing attempt to maintain a responsible and attractive image.

I might add that this effort is a timely one. But that is not to say that the effort does not carry with it some apprehension and feeling of ambiguity on the part of certain sectors of the legal and financial community. I cannot say, since my areas of expertise are in neither of the fields just mentioned, whether these fears are justified or not. Allow me to remark, however, that the examination I have made of the Bill leaves me to believe that there are more merits in our having the Bill enacted into Law than demerits.

I can also say that from the visit which my colleague, the Second Elected Member for Cayman Brac and Little Cayman, and I made to the United Kingdom authorities in the Foreign and Commonwealth Office in May, the disposition of those persons with which we spoke at that time was that we should have this Law enacted in the Cayman Islands.

Anyone who is interested in crime and criminology and human behaviour would understand that what is described as white collar crime is definitely a matter which should be taken seriously. It was in 1939 that this term 'white collar crime' was made prominent by a man who

was regarded at the time as the foremost criminologist in the United States. In an address to the American Sociological Association, Edwin Sutherland defined these types of crimes as those committed by persons of respectability and high social status in the course of their occupation. Emanating out of that address was the whole notion of the modern criminologist's view that there are two types of crime. Sutherland destroyed the notion that crime was something that happened primarily among immigrants and poor people who had fallen victim to the social pathology of urban society. Now we have a whole slew of what is commonly termed 'white collar' crimes.

Just out of interest, because this has some relevance with our jurisdiction and this type of legislation, in his category of white collar crimes Sutherland did not list tax evasion as a crime.

One of the seemingly unpalatable things about this type of legislation is that many people are not prepared to accept that captains of industry, persons in responsible positions, persons who have prominence in their respective societies, should not be considered criminals. Certainly, in the United States, until some years ago, that was a very un-American way of thinking. Then, when the business of drugs became a world-wide scourge, these kinds of crimes took on a whole new importance. In the hey-day we added to what Sutherland called white collar crimes. There was a whole new list beginning with money laundering and other accompanying offences.

I believe that with this legislation the honest, conscientious, hard working people of the Cayman Islands have nothing to fear. I believe that those persons in the legal and financial sectors who exercise good common sense, and who are scrupulous (as we have been known to be) need not worry. But I also believe that there is genuine reason to fear that if we are not careful, judicious and meticulous, we may be taken advantage of by smart, unscrupulous people, and certainly by what James Coleman described as the 'criminal elite.'

One only has to search the Internet to find out that this whole business of money laundering has changed - and is changing, literally by the day. One of the foremost authorities on this, Charles Intriago, who publishes a journal called, *Money Laundering Alert*, whose firm is Alert Publications, Ltd., of Miami Florida, in an international money laundering conference as recently as March of this year, told his audience of a new phenomenon in money laundering called, "cyber-laundering," where computer networks, including the Internet, are used to transfer large sums of money from jurisdiction to jurisdiction.

There is also a new term with some similarity, known as "cyber-cash." In this exercise a chip holds the cash which can be filled via telephone or bank machine and moved from card to card. It can be used for any size purchase, and the problem with this so-called "wonder movement", at least where Governments are concerned, is that there is no way to track the transactions of the card because there are no registrations of the transaction as there would be, for example, with a Visa or Mastercard

or American Express card. So the money flows freely from card to card, and from purchase to purchase.

I say all of that to say that people may think it is not necessary to take the kinds of steps that we are taking in introducing this Bill. But those people who are knowledgeable realise that the business of crime and criminals is not a stagnant business. As the Law and the forces of Law move to plug one loophole, smart criminals are experimenting and trying to find new holes to exploit. Soon we will have to be thinking of ways to counter cyber laundering and cyber cash.

It would seem to me that the introduction of this Proceeds of Criminal Conduct Bill is even more timely if the Cayman Islands is to remain on the cutting edge and maintain its attractiveness as a premier international financial centre. I think that it is also safe to say that one of the challenges which the Cayman Islands will have to contend with is the fact that, whether through our own volition or through reputation which spreads from satisfied client to prospective client, our reputation as an international financial centre gives us attention which is not always in our best interest.

Let me express it this way: When you are the champion, everybody wants to fight you so that they can not only say that they have fought the champion, but that they have defeated the champion. So when you have a reputation, as does the Cayman Islands, as a premier financial centre, one of the things we have to contend with in the attention we get not only from other jurisdictions, but from the industrialised countries who may see us as a threat because they may realise that a lot of money which they could normally tax will be leaving their jurisdictions and coming to the Cayman Islands. Hence more pressure is brought to bear on us. It is even more important that we allow them to see that we are doing things of our own volition to maintain a clean image.

I believe that as a result we will maybe need to be more judicious in how we promote ourselves. Perhaps we should not dwell so much on the fact that we are the fifth largest international financial centre, but should promote ourselves with the record of what we have done and what we are doing to maintain our cleanliness and our attractiveness, and live up to the obligations which we have to the international financial market.

When we have a law like this coming into effect, how do we control and prevent investigative and prosecutorial criminal misconduct? The American Civil Liberties Union has what can be described as a small encyclopaedia of these kinds of offences. It is safe to say that we in the Cayman Islands are not immune from these types of things. Saying on the one hand that we are being responsible and are living up to our obligations, I have to balance that by saying that we also bear a responsibility to ensure that where we are called upon to investigate and prosecute we have to be careful. In the kind of business we are in we have to ensure, on the one hand, that we have only the best, absolutely impeccable clients, while, on the other hand, ensuring that we eliminate and avoid fishing expeditions and what could be deemed as

inquisitorial exercises. Just as we stand to lose if we incur the wrath of the international financial community, we will lose equally if we have separated ourselves from the confidence of those investors who are safe, clean and legitimate tax-dodgers, looking for a place to keep their investments with some discretion. We have to maintain a delicate balance.

My contribution in this instance is not long, and that is understandable because this is not an area where I claim expertise. I would merely make the point that it strikes me that it is a timely piece of legislation, and while I am in support of the legislation, I am calling upon the Government to ensure as far as possible that a balance will be struck.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

In going through this Bill, ordinary people like myself had a difficult time grasping the full understanding. In the presentation of the Bill, the Honourable Attorney General noted that in the Memorandum of Objects and Reasons there was a very clear attempt to simplify the intent of the Bill. I have to agree that the way the Memorandum of Objects and Reasons was done assisted in my being able to get an understanding.

As the Honourable Third Official Member stated, this is probably a simple continuation of a saga; it probably does not originate from the contents here, but is an ongoing battle. It is quite likely that others around us have more direct contact (simply because of the size of other territories) with these people we are trying to not have visit our shores, either by way of paper or person.

I certainly understand the intent of the proposed legislation. Let me first of all clearly state that it is my belief that all of us well-thinking individuals in these islands will certainly agree that we want no part of ill-gotten gains in our affairs. But, in making the statement very clear, let me say that I have some questions and I will raise them and try to explain myself as best I can in order for the Honourable Second Official Member to clarify in his winding up.

Before I do that let me state that while I do not intend to make an issue of it, I have to publicly say that it is my feeling (not having been privy to all of the meetings that have gone on before) that legislation of this tender nature should be levelled at the Cayman Islands in such a way that other jurisdictions falling within the same stead as we will have the same type of legislation, rather than us paving the way and having others follow; and in truth and in fact with us not knowing exactly when those other territories will follow. I do not mean that this legislation is something terrible. What I contend is if all of us are of the same mind and wish to attain the same goal, while there is competition in the financial industries within the territories, let us not have this as a situation where one seems to have an advantage over the other. Let us seek advantages with each other elsewhere, not with this.

So, while I understand that there is a situation where we as leaders in the financial industry are proving our intent by moving ahead with this legislation, I wish that the legislation were done in such a way that other territories, and we ourselves, would have a kick-off date for one and all. Accepting that this is not the case, I think we should move on.

As the Attorney General pointed out, there are basically three sections that are dealt with in this Proceeds of Criminal Conduct Bill. First, the Courts will be able to make confiscation orders; secondly, there will be a new series of criminal offences; and thirdly, the Bill will assist in the enforcement of these orders.

In the Memorandum of Objects and Reasons it says that Part III deals with the enforcement of orders made by Courts outside of the Cayman Islands, and clause 29 enables the Executive Council to designate foreign countries to whose Court proceedings the Bill would apply. The clause also provides the provisions set out in the schedule to foreign confiscation orders.

I will not read all of the clauses under Part III, but I will ask a few questions. Where it says the Executive Council will designate the countries to whose Court proceedings the Bill would apply, it leaves several question marks in my mind. The Attorney General addressed some of those areas in his opening remarks, but I pose the question where in section 30 it reads, "On an application made by the Attorney General on behalf of the Government of a designated country the Grand Court may, subject to subsection (3) below register an external confiscation order made there..." and it goes on to list the various requirements.

Not so very long ago a question was posed in this House regarding the cost of Court actions taken through the Attorney General's Office and through the Legal Department in this country. I do not see it anywhere in this Bill, and I pose the question this evening. It seems that the nature of our territory alone is going to dictate with this legislation that there will be more applications made through our Legal Department in the Cayman Islands than requests by our Legal Department to other territories. If that is the case, and I believe it is fair comment to say that it will be the case, and it is going to be up to the Attorney General and his colleagues to make all of these applications on behalf of these other territories, who is going to pay for all of this? I pose that question.

If I am reading this Bill correctly, it may also mean that our Court system could easily get involved with a trail of paper into many other territories for any one given situation, which means that in any given application here, it may not end just like that, but may be another on-going saga. My question has nothing to do with the validity of the application, or the due process, my question is: Who stands the responsibility of the cost of all of these procedures?

Bear in mind, and I think this is also fair comment, that our Legal Department at present is heavily strapped and does not have any spare time. I wonder what the future holds in this regard. I also think that using the example of previous occurrences, specialised help had to

be brought in to conduct certain cases in Court. How specialised will this type of activity become and what requirements will there be? How onerous will they be to this country? I simply beg the question. It worries me from that point of view.

The Speaker: Honourable Member it is now 4.30. I do not expect that you will be finished shortly.

Mr. D. Kurt Tibbetts: No, Madam Speaker.

The Speaker: Would someone move the motion for the adjournment of the House? The Honourable Minister for Education and Planning.

ADJOURNMENT

Hon. Truman M. Boddén: I move the adjournment of this Honourable House until 10 o'clock tomorrow morning.

The Speaker: The question is that the House do now adjourn until 10 o'clock. I shall put the question. Those in favour please say Aye... Those against No.

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until 10 o'clock tomorrow morning.

**AT 4.30 PM THE HOUSE STOOD ADJOURNED UNTIL
10.00 AM FRIDAY, 20TH SEPTEMBER, 1996.**

**EDITED
FRIDAY
20TH SEPTEMBER, 1996
10.15 AM**

The Speaker: I will ask the Third Elected Member for Bodden Town to say prayers.

PRAYERS

Miss Heather D. 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 II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated.

Order. Proceedings are resumed. Presentation of Papers and Reports. Community College of the Cayman Islands, Annual Report. The Honourable Minister for Education and Planning.

**PRESENTATION OF
PAPERS AND OF REPORTS**

**COMMUNITY COLLEGE OF THE CAYMAN ISLANDS
Financial Statement 1995 - Annual Report 1995/96**

Hon. Truman M. Bodden: Thank you, Madam Speaker.

I beg to lay on the Table of this Honourable House the Financial Statement and Annual Report for 1995 and 1996, of the Community College of the Cayman Islands.

The Speaker: So ordered. Honourable Minister.

Hon. Truman M. Bodden: As stipulated in section 11 subsection (6) of the Community College of the Cayman Islands Law, 1987, I am pleased to table the Principal's Report and the audited 1995 financial statements of the Community College of the Cayman Islands.

The year 1995 was a year of contraction of the College because of the raising of the school-leaving age. This resulted in a nil intake of students from the John Gray High School and, consequently, all certificate programmes were not run.

The dividends from the decision to raise the school-leaving age were enormous. As you are aware, the external results for examinations taken by John Gray Students in June of this year are the best that we have had in the history of the Cayman Islands.

The contraction in the programmes offered allowed the College to focus on three areas: the curriculum, the physical development of the campus and the programmes and courses, both full-time and part-time, including 'A' levels which were offered at the College for the first time. I repeat, the College does offer (and continues to offer) 'A' level subjects.

Curriculum: The most significant developments were in this area. The evaluation of the certificate programmes and the preparation of syllabi for all subjects in the associate degree programmes were completed. As a result, the College is now a very comprehensive institution and is offering the following programmes in September 1996:

- One year certificate programmes, full-time
- Auto mechanics
- Construction
- Carpentry
- Electricity
- Electronics
- Professional Cookery
- Hospitality studies
- Business/Commercial
- Business/Secretarial

At advanced 'A' levels, full-time and part-time:

- Chemistry
- Geography
- Mathematics
- Economics
- History
- Physics

Professional programmes, part-time:

- Accounting (AT)
- Banking (Chartered Institute of Bankers)
- Insurance (Chartered Insurance Institute)

Associate Degrees, full-time and part-time:

- Associate of Arts
- Accounting
- Business Administration
- Economics
- History
- Hospitality Management
- Language
- Literary Studies
- Social Science
- Associate of Science
- Computer Science
- Mathematics
- Physical Science
- Associate of Applied Science
- Accounting
- Secretarial Studies

I would like to repeat (although it was mentioned yesterday) that the College has not cancelled the 'A' level programme, nor do we plan to phase out the 'A' levels in the future. In preparing for the Associate Degree programme, the College Board took a decision that those students who wished to enter the medical field and study at universities in the United Kingdom and the region, should be able to study mathematics, physics and chemistry, the three subjects needed for medicine.

This September, 83 students enrolled in the Associate Degree programme. Only three full-time and two part-time students opted for 'A' levels. The end result was that the choice of subjects was so wide that all subjects requested were not viable. However, four 'A' level programmes are being offered.

Physical Plant and Facilities: During the year the general studies building was completed and construction of the library building began. I am pleased to report that construction of the new 8,530 square foot library is complete and will be ready for use before the end of September.

Through sound fiscal management the College was able to contribute approximately \$1 million towards the construction of the two buildings, and Government's contribution amounted to \$1,300,000.

Courses and Programmes: During the academic year 1995/96 more than 1,000 individuals were enrolled in the programmes and courses offered at the College. Some 300 of these were employees of Government and the private sector on contract courses arranged through the College for industry.

Students were presented for external examinations and the percentage pass rate in almost all areas improved. Most pleasing were the results of the first 'A' level classes taught at the College. The relevant statis-

tics on this examination are: 31 students (including one part-timer) took the examinations. Twenty-one students passed all subjects they were entered for; 21 students passed two or more subjects; 15 students passed three or more subjects. Thirty-six of the 66 passes were grade C or above; 100% pass rates in Art, Biology, Computing, English and Spanish.

Those results are the best that I have known throughout my 20 years in association with education. I congratulate all of those students for the excellent results. It is clear that the system of education has to be right when the results are so excellent.

In conclusion, I would like to take this opportunity to thank the Board of Governors, especially the Chairman, the Third Elected Member for George Town, for their contribution to the development of the College; the Principal and staff for their continued hard work and success. I should also like to thank the Members of this Honourable House for their support for this efficient and successful institution of learning.

The Speaker: Questions to Honourable Members/ Ministers. Question No. 160 is standing in the name of the First Elected Member for Bodden Town.

QUESTIONS TO HONOURABLE MEMBERS/MINISTERS

QUESTION NO. 160

No. 160: Mr. Roy Bodden asked the Honourable Minister for Education and Planning to state the number of applicants for admission to the Red Bay Primary School for the school year beginning in September 1996.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: A total of 128 new students registered to attend the Red Bay Primary School in September of 1996. As of Friday, 6th September, 120 students had enrolled.

SUPPLEMENTARIES

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

Can the Honourable Minister say what complement of new enrolments the school can accommodate at this time?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: It accommodates everyone who is in there.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Perhaps I need to give the Honourable Minister a lesson in understanding. What complement of new students is the school designed to accommodate at this time?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: One hundred and twenty-eight students, as I replied earlier.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. Can the Honourable Minister say if he knows why only 120 students were enrolled?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: They are the students who applied, and they were enrolled. I am not certain... somewhere I do not quite understand the Honourable Member's question, and his understanding of the situation. One hundred and twenty-eight students are enrolled in the classrooms and they are accommodated.

The Speaker: Excuse me, Honourable Minister, I think the question asked why only 120 are in as of Friday the 6th. That is my understanding Honourable Minister.

Hon. Truman M. Bodden: Madam Speaker, 120 new students applied. How can I enroll students who are not students? I do not follow the reasoning.

The Speaker: Honourable Minister, your answer said a total of 128 new students registered and as of Friday the 6th, 120 had been enrolled, which leaves eight. He is asking why?

Hon. Truman M. Bodden: All right, Ma'am, I understand that. Because people apply for registration then go to other schools or leave the island. There is a difference of a couple of months in between registering and enrolment so the eight are no-shows, so to speak, who have gone to some other school, or have gone off the island.

The Speaker: Thank you, Honourable Minister.
The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Thank you, Madam Speaker. Could the Honourable Minister state if there are any students in Red Bay Primary School who live outside of the precinct of George Town?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Not to my knowledge. The rule is that if there is a sibling in the school then we will go outside of the catchment area to assist parents in bringing both children to one school.

The Speaker: The next question is No. 161, standing in the name of the Third Elected Member for West Bay.

QUESTION NO. 161

No. 161: Mr. John D. Jefferson, Jr asked the Honourable Third Official Member responsible for Finance and Development to give details of surplus/profit of Recurrent Revenue over Recurrent Expenditure and Statutory Expenditures in 1993, 1994 and 1995, and indicate the comparison for 1990, 1991 and 1992.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: The excess of recurrent revenue over recurrent and statutory expenditure was \$11.2 million surplus in 1993; \$13.2 million surplus in 1994; and \$16.3 million in 1995. When compared to 1990 there was a \$1.1 million deficit; a \$1.9 million surplus in 1991 and a \$3.6 million deficit in 1992.

SUPPLEMENTARIES

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: In light of the financial position reflected in the answer for the years 1990, 1991 and 1992, can the Honourable Member say how the capital projects for those years were financed; and compare that to how the projects for the years 1993-1995 were financed?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: For the year 1993 the contribution or excess of recurrent revenue over recurrent and statutory expenditure was \$11.2 million. The capital spending in that year was \$9.6 million which meant that the excess of recurrent revenue over recurrent and statutory of \$11.2 million was sufficient to fund the capital programme in that year. At the end of that year there was a net surplus of \$1.6 million, excluding the balance brought forward from the surplus and deficit account.

In the year 1994 the recurrent revenue was \$152.1 million. The recurrent and statutory expenditure was \$138.2 million. There is a slight discrepancy for the surplus figure. The Treasury figure, which I believe to be correct (the figure I gave earlier is likely to have been a typographical error), was \$13.9 million. That was the ex-

cess of the recurrent revenue over the recurrent and statutory expenditure.

The capital spending for the year was \$18.1 million, which meant that the contribution towards the capital programme was \$13.9 million leaving a net deficit of \$4.2 million. Loan funds applied during the year was \$4.7 million, meaning a net surplus for the year when taking into account the brought forward balance as at 1st January, 1994, of \$2.3 million, in the surplus and deficit account of \$2.4 million.

For 1995, the recurrent revenue was \$174.5 million. The recurrent and statutory expenditure was \$158.2 million. The excess of revenue over expenditure for that year amounted to \$16.3 million. The capital expenditure for the year was \$23.7 million. Therefore, when the contribution in 1995 was applied against the capital programme there was a deficit of \$7.4 million.

This deficit was financed by the balance brought forward at 1st January 1995 of \$2.4 million plus the using of loan funds from the 1984 capital projects loan of \$1.8 million. This gives a financing package available to fund the deficit of \$4.2 million, leaving an overall deficit of \$3.2 million as shown in the accounts for 1995 presently under audit review.

For the year 1990, the recurrent revenue was \$101.8 million. The recurrent and statutory expenditure was \$103 million. There was an excess of recurrent and statutory expenditure over recurrent revenue of \$1.2 million. The capital programme for the year was \$13.7 million.

So when \$1.2 million were added for the year, there was an overall annual deficit of \$14.9 million. That was financed by a draw-down of \$7.7 million from the general reserves and also the using up of \$6.3 million from the surplus and deficit account.

The position at the end of the year was a net surplus of \$5.6 million because at the beginning of January 1991 there was an amount of \$11.9 million in the surplus and deficit account.

For the year 1991 the recurrent revenue was \$113.2 million. The recurrent and statutory expenditure was \$111.4 million leaving a contribution of \$1.8 million as excess of recurrent revenue over recurrent and statutory expenditure and as a contribution to capital. The capital expenditure for that year was \$17.2 million. The net deficit for the year was \$15.4 million. This was financed by loan funds of \$14.1 million during that year and the balance taken from the surplus and deficit account which I mentioned was \$5.6 million, leaving an overall balance in the surplus and deficit account of \$4.3 million.

For the year 1992, recurrent revenue was \$121 million. Recurrent and statutory expenditure was \$124.6 million, exceeding recurrent revenue by \$3.6 million. This left a deficit on the recurrent revenue position.

The capital expenditure for the year was \$18.1 million. When the recurrent deficit of \$3.6 million is added to that, it gives a deficit of \$21.7 million. This deficit was financed by loan funds of \$6.8 million and the remaining balance of \$4.3 million in the accumulated surplus and deficit account. When these two are added together and

applied against the deficit of \$21.7 million, there was a deficit balance at the end of 1992 of \$7.1 million carried forward to the beginning of 1993.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: For purposes of clarity can the Honourable Member give us a breakdown of Government loan receipts, the amount of money the Government borrowed starting from the year 1990 to the present, excluding the Cayman Airways Loan?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: There is a separate question that deals with the information just requested. We are now looking specifically at recurrent revenue. Hopefully that question will be addressed before this meeting concludes.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Could the Honourable Member say, based on the information given with the various amounts of surplus revenue for the years 1993, 1994 and 1995, if there is any special reason why the general reserves were not addressed by way of beefing them up in line with the policy that he put forward in one of his Budget Addresses?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: It was as recent as the June sittings that a response was given to a Parliamentary Question by the same Member which pointed out this is one aspect under consideration in the Government's review of its financial procedure. It was further mentioned that a re-write of the Public Finance and Audit Law was to be undertaken. This is presently under consideration and will be addressed as a percentage of general revenue.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: I accept what the Honourable Third Official Member is saying, but I still ask why it was not being done during 1993, 1994 and 1995?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: I do not think that I can add anything further to what I have said. At this time we can say exactly what the ideal position was, but I think we have always operated on the principle of a balanced

budget and have demonstrated that for the period we are referencing this has been, and always has been, the objective of this and past governments. We have not had a specific policy put in place as yet to deal with the general reserves, although we have recognised that it is of paramount importance that this be addressed. This is where we are now turning our attention. It is an integral part of the government's fiscal policy and macro-economic management approach.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Would the Honourable Third Official Member say if it is a fact that monies allocated in any given year, if not spent (be it capital or otherwise), show up as excess at the end of the fiscal year? Is it a fact that this occurred in 1993, 1994 and 1995?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: The Member is partly right, monies not spent are allocations from local revenue.

Where expenditures have been targeted against loan funds in any given year, there is a long-standing policy that the only monies out of those loans that can be used up are monies required to off-set specific expenditure. So those monies cannot be carried forward. But on the local revenue side, those monies are carried forward into subsequent years.

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: In the supplementary information provided by the Honourable Third Official Member for the year 1992, it appears that the past Government ended up with a deficit of \$7.1 million. Can the Member say how this was addressed?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: This was addressed at the beginning of 1993 by a transfer of an equivalent sum from the General Reserves.

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: Also, in 1995 it appears that the present Government ended up with a \$3.2 million deficit after funding capital projects and all other recurrent and statutory expenditure. Can the Member say what significant events took place that affected the financial position as at the end of the year?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: There were certain costs that were offset relating to the Cuban refugees. But I should also mention that when we look at the \$3.6 million we are talking less than 2% of the annual budget. Although this 2% is a small sum it is a matter that is under consideration at this time. The Government has been reviewing the overall expenditure on an ongoing basis to ensure that this is corrected by the end of 1996.

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: I wonder if the Honourable Member can say how much was incurred by Government in dealing with the Cuban refugee crisis?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: That figure spans a period of two years, but it was in excess of \$3 million.

The Speaker: The next question is No. 162, standing in the name of the Third Elected Member for West Bay.

QUESTION NO. 162

No. 162: Mr. John D. Jefferson, Jr. asked the Honourable Third Official Member responsible for Finance and Development to (a) indicate how much was added to General Reserves, or used during 1993, 1994 and 1995, and indicate the comparison for 1990, 1991 and 1992; and (b) say, as a total cash position, what were the surplus accounts and final reserve balances for the years 1989 - 1995.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: In response to part (a) of the question, \$7.0 million was transferred out of the General Reserve Fund during 1993 to fund the 1992 deficit and \$0.4 million was transferred into the Fund during 1994. There were no transfers during 1995.

Seven point eight million dollars and \$3.5 million were transferred out of the Fund during the years 1990 and 1992 respectively. The details of this comparison are attached to this answer. There were no transfers during 1991.

In response to part (b) of the question, the total cash position as at 31st December of the years in question was \$30.0 million in 1989, \$17.6 million in 1990, \$17.4 million in 1991, \$3.2 million in 1992, \$6.0 million in 1993, \$6.4 million in 1994 and \$1.2 million in 1995.

The details of this comparison are attached to the written answer which is being circulated.

The Speaker: The Honourable Third Official Member responsible for Finance and Development said that something was attached and circulated?

Hon. George A. McCarthy: My apology, Madam Speaker. The details were not attached, as mentioned, only the figures as set out in the question.

SUPPLEMENTARIES

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: In the answer to (b) of the question, it mentioned the total cash position as at 31st December, 1989, was \$30 million and at the end of 1992 it was \$3.2 million. I wonder if the Member could give us an idea of what was responsible for the drastic reduction in the cash position?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: A very good example is what is taking place in 1996. Up to this time, as at June of this year, we have spent close to \$14 million on capital expenditure (although there was a loan approved of \$16.2 million and a subsequent approval at the June meeting of this Legislative Assembly of \$10.6 million), and those funds are available. We have been using up the accumulated balance in the surplus and deficit account in order to finance the capital projects.

What we have been doing is streamlining. For example let us say the draw-downs at the bank, because we do recognise that while the cash position looks very favourable at the end of the year, the Treasury and Budget Unit in a joint effort, have been working and advising the Government on an ongoing basis to use up the surplus in the accumulated account. Although we have approval from this Honourable House in order to raise loan funds, we only do so when the surplus and deficit account will go into an overdraft position.

We have seen where funds were transferred out between those periods in order to fund capital projects and to offset the deficit, specifically at the end of 1992. This is the principle whereby the thrust will not be on the cash balance at the end of the year, and for the future management of the Government's cash flow position once a policy is put in place to deal with the contribution that should be going into the general reserves and put into the Budget as a line item, then the emphasis will be whether approval is obtained from this Honourable House or not. When I say 'not', I should apologise. Approval is necessary. Even though the approval will be necessary from this Honourable House, the emphasis will not be to draw-down those loan funds to put into surplus and deficit account, it will be to manage the cash flow of the government using up the balance on the surplus and deficit account not putting it into an overdraft position.

We recognise that interest rates are very high. If we go and draw funds that we are not using at this time, there could be a differential of about 4% to 5% between what we will be paying and what we will be obtaining on the fixed deposits.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Member say if this policy he just referred to has a time line as to implementation? Might it be for the next Budget?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: I mentioned during the June meeting of this House that the Deputy Financial Secretary has been tasked with chairing a team to carry out a review of the Public and Finance Law. This is currently underway. The Chief Internal Auditor has been going around talking to the relevant controlling officers, senior officers in government and looking very carefully at the provisions in the Public Finance and Audit Law at this time. We are at a stage where we have a Memorandum of Understanding. I should say that this is what has emerged.

I spoke to Mr. Russell, our representative in the United Kingdom Office, this morning and asked if he could go to the National Audit Office. He went recently and four persons were recommended to us. But when we looked at their CVs, although they were aptly qualified we felt that they did not have the breadth of experience we were looking for. I asked him this morning if he could go back again and if we could get someone at least at the Under Secretary level to come out, someone with a very good understanding in the drafting of legislation and not necessarily to take something from the United Kingdom and come here and introduce it in Cayman. We want something to address our specific circumstances.

I am hoping that this officer will be in place by the end of October. From the work that has been done, I do not think that it would take him more than a month or two to do the re-write of the Audit Law and the Financial and Stores Regulations.

Considering that this is an election year and the Budget will not be presented until March 1997, it is likely that the new procedures could be factored into the Budget. But that factoring would be provisional because the new legislation would have to be passed by this House.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: The Honourable Member has said that there is no need for Government to borrow any money this year because of excess revenue. Is he in a position to say how the recurrent revenue is comparing with recurrent statutory expenditure?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: I do not think I said that there is no need to borrow. What I said is that there is no need to draw down as at the end of July. As at the end of July the excess of revenue over recurrent and statutory expenditure was \$18.4 million. As I mentioned, the capital expenditure up to that date was \$13.8 million which meant that there was sufficient funds on hand to fund the capital projects up to the end of July.

It is likely that we may have to draw down against the borrowings before the end of the year, but we will try to keep those draw downs to a minimum.

The Speaker: May I ask for a motion for the suspension of Standing Orders to complete Question Time after 11.00? Anyone can move the motion.

The Honourable Minister for Tourism, Aviation and Commerce.

SUSPENSION OF STANDING ORDER 23(7) AND (8)

Hon. Thomas C. Jefferson: I move the suspension of Standing Orders to allow the other supplementaries and questions to be asked.

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

AYES.

The Speaker: The Ayes have it. Standing Orders are accordingly suspended. We proceed with supplementaries on Question No. 162.

AGREED. STANDING ORDER 23(7) AND (8) SUSPENDED.

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: In the answer provided by the Member to section (a), he mentioned that \$7.8 million and \$3.5 million were transferred out of the reserve fund during the years 1990 and 1992. Can indicate why these transfers were necessary during these years in question?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: I mentioned earlier that the transfer at the end of 1992 was to offset the accumulated deficit of \$7.1 million. I apologise, the figure the Member asked about was at the end of 1990. This was to offset (in part) the accumulated deficit of \$14.9 million at the end of the year. Also, the draw down of \$3.5 million would be to offset the accumulated deficit of \$21.7 million, in part.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: I am not happy with the answer from the Honourable Member. Would he kindly tell the House if Government has borrowed any money thus far this year?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: The Member may not be happy, but I will have to give him the facts. I said to him that up to the end of July that was the position. I cannot speak to the 31st of December, and I cannot give him the assurance that the Government will not draw down funds.

The Speaker: The Member for North Side. This is the last supplementary.

Mrs. Edna M. Moyle: Would the Honourable Member say if these transfers during 1992/93 from the general reserve were to cover an overdraft facility left at the bank after the last Government?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: As I mentioned, at the end of 1992 there was a transfer of \$7 million from the general reserves. This was in part to offset the deficit being carried on the surplus and deficit account. It should be borne in mind that this does not necessarily translate into an overdraft amount at the bank for an equal sum because there are always a number of un-cashed transactions going through in any given year. Cash balance will always differ from the balance in the surplus and deficit account. It is always within a reasonable margin.

The Speaker: The next question is No. 163, standing in the name of the Third Elected Member for West Bay.

QUESTION NO. 163

No. 163: Mr. John D. Jefferson, Jr. asked the Honourable Third Official Member responsible for Finance and Development to give Government's revenue and expenditure positions at 30th June, 1996, and the comparison for the same period in 1992.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Total receipts as at 30th June, 1992, were \$68.4 million and comprised recurrent revenue of \$66.4 million and loan revenue of \$2.0 million. Total receipts as at 30th June, 1996, were \$99.8 million and comprised of recurrent revenue only.

Total expenditure, that is the sum of recurrent expenditure, statutory expenditure and capital expenditure, was \$65.8 million and \$92.7 million as at 30th June, 1992 and 1996, respectively.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: I wonder if the Honourable Member could state if the difference in the last two figures (\$65.8 million and \$92.7 million as at 30th June, 1992 and 1996) is simply inflation, or is it for additional services provided by the Government which means additional costs to the country.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: It is a combination of both.

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: For the year 1996, at the end of June, can the Honourable Member say what the reflected surplus is?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: The surplus would be approximately \$16.5 million.

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: How does this compare with the deficit position for the year 1992?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: That would be \$2.6 million which would include the loan draw-down of \$2 million.

The Speaker: The next question is No. 164, standing in the name of the Third Elected Member for George Town.

QUESTION NO. 164

No. 164: Mrs. Berna L. Thompson Murphy asked the Honourable Minister for Education and Planning what action has been taken in past years to advance the progress of the Development Plan Review Process, and what is the present status.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddén: As Honourable Members of the Legislative Assembly will be aware, I only assumed responsibility of Planning matters, including the Development Plan Review in April 1995 - less than one and an half years ago.

In 1994, Executive Council took a decision that it would be more appropriate to make amendments to the existing 1977 Development Plan rather than bring an entirely new plan. In late 1994, the proposed amendments to the Development Plan 1977 were put on public display from December 1994 to February 1995 (the legally required 60 day period for comment) including maps showing zone changes.

The public review period was extended for a further 30 days to March 1995 to allow additional time for objections/representations to be submitted.

During this 90 day period, the Planning Department received 310 objections/representations. Three more were received between March and May 1995, bringing the total number of objections to 313, affecting approximately 500 parcels of land.

In April 1995, when I got Planning, the Planning Department was at the stage of reviewing the objections/representations and making reports on each for submission to the Central Planning Authority (CPA). Four planners were assigned to this monumental task and by the end of June 1995 these reports were received by the Central Planning Authority.

The Ministry, at this time, realised that the single Planning Appeals Tribunal with its five members would not be able to handle the number of objections/representations without holding hearings over many months (perhaps years) with perhaps consecutive days of hearings. This would have been a daunting prospect for the members who have their own businesses and full-time jobs.

Therefore, a motion and amendment to the Development and Planning Law (1995 Revision) was brought and passed in the June 1995 Meeting of the Legislative Assembly to allow for the appointment of multiple special tribunals to hear objections and representations to the proposed amendments to the Development Plan 1977. This amendment was gazetted on 11th August, 1995.

In late September 1995, nine members from the private sector were appointed by Executive Council to three special Development Plan Tribunals and the appointments were gazetted on 16th October, 1995.

The tribunals were comprised of local businessmen and chaired by lawyers, all of whom were willing to donate their valuable time to sit on the tribunals. I express my gratitude to the Chairmen, Mrs. Sherrie Boddén, Mr. W. S. Walker and Mr. C. S. Gill, and the other members of these tribunals.

By October 1995, the Ministry had received copies of the reports from CPA for distribution to the tribunal members. The objections were divided into three broad categories, one for each tribunal, namely, environmental, roads and zoning.

According to the Development and Planning Law (1995 Revision), the objectors were obliged to receive 28 days notice of a hearing date. The first of the hearings was on 31st January, 1996, and the last was 16th July, 1996. All of the 313 objectors were advised in writing, with the 28 days notice, of when their objection/representation would be heard by the tribunal. Many

chose not to attend in person, and in those cases their original written objection/representation was given consideration by the Tribunal.

Of those objectors who did not appear themselves, some agreed to be heard as a group and be represented by one person, while several were represented by the National Trust.

The first of the Tribunal reports was submitted to the CPA at the end of May 1996. This was concerning environmental matters. The CPA is awaiting the reports concerning roads and zoning, however, as Honourable Members can understand, the Chairpersons and members of these Tribunals have other commitments and full-time jobs. Once they have been received and considered, they will be attached to the CPA's proposed amendments and forwarded to the Ministry for submission to Executive Council and then to the Legislative Assembly for final approval.

The proposed amendments will have to be brought before this House by the next Government and can be brought speedily because most of the work is now done, although certain legal problems remain for a final decision when the reports are made.

The Development Plan Review process is long and immense in volume. It is this way deliberately so that major changes cannot take place without input from the public. The views put forward by the 313 objectors/representors will directly influence the nature of any proposed amendments to the Plan brought before this House.

I once again state that I will not circumvent legal procedure, nor take shortcuts in order to be able to say that I got the amendments to the Development Plan 1977 passed during my term in office. Bearing this in mind, I will proceed to inform the Honourable Members as to what action has been taken in the past few years, and the present status of the Review.

My Ministry has done more to advance the progress of this Review in 18 months than any other Minister or Member in the past 8 years. I must express sincere thanks to the Director and staff of the Planning Department, the Central Planning Authority, the Development Plan Tribunal members, my Permanent Secretary and her staff who have worked diligently over the past many months to move the process forward to the most advanced stage it has been in nearly 20 years.

SUPPLEMENTARIES

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: The Honourable Minister stated that the proposed amendments will have to be brought before this House by the next Government. Would he be in a position to say if that would be possible in the first half of 1997 or the latter half?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: The legal process after this should not take beyond six to nine months. When the other two tribunals submit their reports they will go to the CPA which then makes a report on their decision to this Honourable House, which passes through Executive Council. Then it is up to the House to take a decision on the Development Plan.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Does this proposed Development Plan include Cayman Brac and Little Cayman?

Hon. Truman M. Bodden: No, Madam Speaker. The position with Cayman Brac and Little Cayman is that when I took over the Ministry, and when the Honourable Minister for Tourism, Aviation and Commerce (who previously had it) took over from the last government, a plan had been prepared and laid on the table of this Honourable House. Unfortunately, the previous Minister, Mr. Linford Pierson, had not followed the Law. When I looked at it, while I thought it had reached an advanced stage, it had not legally gone through the period of representation and objection in Cayman Brac and Little Cayman.

Therefore, the stage he had reached had been by depriving the public of the right to legally object and make representation on the plan. In effect, the laying of the Little Cayman plan on the table here did not comply with the law. What has to happen now for those two islands, if they so wish, is to begin from the beginning. They can perhaps use this plan, I will call it an informal plan, that was done by a Committee (who put in a lot of work but who did not follow the Law) and use that as a basis, provided they go through the legal process of allowing objections/representations, and then having the hearings which are very important, by the Development Plan Tribunals (which we have now appointed three). Then it has to follow the same process so that when it is laid on the table here it will be the same process that our Grand Cayman Development has gone through.

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Can the Minister state what progress has been made with the Development Plan Review from 1993 to the time he took it over?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, I just spent about 10 minutes on my feet. I do not know if he would like me to summarise it, but the previous two Governments did nothing. When the Honourable Minister for Tourism, Aviation and Commerce took this over he

started the legal process under the Law. I have carried that on.

This Government has taken it from the mere draft stage through all of the legal hurdles. We have had meetings in each district, we had representations and objections came in (a large number). I amended the Law so that three tribunals could sit simultaneously because the project is so large that just one could not do it. We have had all of those hearings of which one member of my staff in my Ministry has borne the whole brunt of doing all of the minutes and sitting in at those meetings.

Each report is several inches thick because of the large number of representations. One of the Chairmen has given in the report (and this is all during our time)... and I repeat that when the report comes in, it then has to go to the CPA which has to make a decision and recommend it to the Legislative Assembly through the Executive Council. That is the stage the Grand Cayman Plan has reached.

The Speaker: The next question is No. 165, standing in the name of the Third. Elected Member for George Town.

QUESTION NO. 165

No. 165: Mrs. Berna L. Thompson Murphy asked the Honourable Minister for Education and Planning what the advantages are for Cayman Airways Limited purchasing its jets instead of leasing them.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddin: Banks and financing institutions purchase aircraft which they then lease to airlines such as Cayman Airways Limited. In simple terms, the airlines end up paying for the aircraft through the lease payments, but the bank ends up owning the aircraft.

Cayman Airways Limited purchased the BAC 111-500s in the 1970s, and the 727-200s in 1982. Cayman Airways Limited would have *de jure* owned these jets by nominee in 1994 and could now be showing a profit in the millions as it would not have to pay rent for the 727-200s which carry 170 passengers. After selling the 727-200s in 1989, Cayman Airways Limited leased its aircraft and Cayman Airways Limited had contingent liabilities of US\$105,000,000 under the 737-400 lease in 1991 which I negotiated Cayman Airways Limited out of in 1993.

In late 1994, the Board of Cayman Airways Limited, with my encouragement and support, decided it was in the best interest of the Airline, as well as the Government, to purchase the 737-200 VR-CAL aircraft which was then on lease to Cayman Airways Limited.

The logic was as follows: Instead of guaranteeing the lease payments, Government, in effect, transferred the guarantee to a bank loan. The loan was then used to buy the aircraft and ownership of the aircraft was transferred to Government through a Government owned company set up for that purpose. This new company,

Cayman Aviation Leasing, Ltd (wholly owned by Government) in turn leased the aircraft back to Cayman Airways Limited. The lease payments made by Cayman Airways Limited are then used by Cayman Aviation Leasing to pay back the bank loan.

The advantage to Government and Cayman Airways Limited are many. From the Government standpoint, it has guaranteed a loan of approximately US\$5 million. However, through Cayman Aviation Leasing Ltd, it now owns an aircraft as collateral for this loan.

In the meantime, since purchasing the aircraft for US\$5.3 million, Cayman Airways Limited's lease payments have reduced the debt by over US\$1 million (in fact it is \$1.1 million now, we reduce it at the rate of \$50,000 per month) and the aircraft value has appreciated to close to US\$7 million. So Government has absolutely no risk with regard to the bank guarantee which is now less than US\$4 million as it owns an aircraft which is worth US\$7 million.

Cayman Aviation Leasing Ltd and therefore Government has, in effect, made a profit of US\$3 million by purchasing rather than leasing.

Cayman Airways Limited continues to pay lease payments which are somewhat higher than under the lease agreements, but this is a cash flow change rather than a cost increase. Meanwhile, Cayman Airways Limited can continue to make improvements to the aircraft. For example, new passenger service units, including overhead bins, an entire set of new seats, the removal of an unwanted auxiliary fuel tank (which will not now need to be re-installed as it would have been under a lease) and the installation of a Traffic Alert and Collision Avoidance System (TCAS). All such improvements enhance the asset and Cayman Airways Limited retains the added value.

In less than four years from now, Cayman Airways Limited will have an aircraft which is fully paid for and will be capable of operating for perhaps a further 10 years.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Minister explain some details regarding the increased payments that are being made now, compared to the lease payments?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddin: The question that the Member has raised is very relevant. Cayman Airways was actually paying \$85,000 per month for the aircraft. To purchase it we had to choose whether to purchase it over eight years and leave the payments at \$85,000, or to pay for it over five years at \$105,000.

Cayman Airways loses, or makes less of a profit, as the accounts will show, by paying this large amount

(which is quite large, it is one-third more). But we will own the aircraft after five years. So we are saving considerable interest but it makes the accounts of Cayman Airways look worse and unless you look at the jet sitting at the Government's company that has a very substantial surplus.

For instance, this year we had a profit after surplus in the vicinity of \$940,000 or \$950,000. That profit would have been increased considerably more if it had only been leasing the jet rather than buying it. As the public knows, it cost more to buy than to lease. But when you have bought the jet you have no payments.

Really, as the Honourable Member will appreciate, can you imagine where Cayman Airways would be if they can make a profit with higher rent compared to when it has actually no rent to pay which we would not have been paying (I wish to point out) for the last three years if we had kept and owned the 737-200s.

Cayman Airways is worse off but Government is far better off as a result. There is probably \$1 million-odd sitting in the account for the leasing company.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Minister say what the value of the aircraft is at this time, and what it will be upon completion of payments?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: We bought the aircraft for \$5.2 million. It now has a value of \$7 million. So it has increased in value by close to \$3 million. When you add the improvements which we had to pay for, we put in maybe \$600,000 worth of improvements... if it keeps going up at this rate we will soon double the value of it. I am not saying that that is going to happen because the airline market now has increased with that type of jet. In the US and Europe there are many airlines doing no-frills, short term runs that a 737-200 is geared for.

In fact, the \$105,000 that we paid to buy it, to lease that aircraft now would be in the area of \$110,000 to \$115,000 per month. So it has gone up considerably in value. It has been a very good investment. I am very happy with it.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: The Honourable Member to my right is wondering who placed the value of \$7 million on the airline at this time. I am wondering if the Minister is in a position to say who did so?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: There are listings that show the value of these aircraft and it would have been taken from those official listings. They are going up considerably now, but like any other market, obviously, how much I do not know. But they are definitely very much in demand because we are looking at trying to purchase another jet and the jets we were looking at were between \$7 million and \$8 million United States Dollars. I am not saying we are going to do that, we are just looking because I saw the Fourth Elected Member for George Town getting up. Let me state that I will do nothing unless I am certain that Cayman Airways is going to make a profit on it and own an asset. It will come to this Honourable House - I assure you of that. I will do nothing unless I come here with something like purchasing a jet.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Minister address the situation which that aircraft will face in the very near future regarding hush-kitting?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: This is a complex area. We now have three permits that allow us to run one aircraft until the end of 1998 without a hush-kit, and the other one to the year 2000, without a hush-kit. We are now looking at what to do and we do have a medium-term plan despite what is sought. It is similar to plans on Education, Drugs and Tourism and all plans that we have now. It is five years. It is being completed as a strategic plan.

One of the actions teams is looking at this because we have to decide well in advance so that we can take a rational decision because Cayman Airways no longer does things on the spur of the moment, we plan ahead. The Board has to decide whether we will hush-kit our own aircraft which would give us the extra value, even though we may pay \$1 million or so at present, it would add to the value of our aircraft.

What we will try to avoid is hush-kitting a leased aircraft. If we do not hush-kit ours we can run it to the year 2000 and then we will lease (or I hope by then buy) a second aircraft with a hush-kit on it. But we do not want that to come into effect until the end of 1998. The leases were geared so that we would be able in our medium-term plan to kick that in at the right time.

Last year, when both leases from back in 1991 on the 737-200s came up within three months of each other, it created a very substantial cost to Cayman Airways.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Would the Honourable Minister say what plans are being made to purchase a second aircraft?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddén: The Board has taken a decision in principle, subject to the approval of this Honourable House and Finance Committee, to try to find what is called 'quick change 737-200', the same as the aircraft we have, but it would allow flexibility to take larger amounts of freight. If we cannot find that, then what we would look to do is purchase an aircraft similar to the one that we have and to see how low a price we could get. For the third aircraft we would see if we could get a quick change aircraft.

Buying aircraft is not like buying cars. We are taking our time to ensure that we get what we want rather than paying a premium as they did five or six years ago for aircraft very quickly. We do not have to buy quickly, we have our forward plan in place, a very good five to seven year plan that is now being formulated.

This has been in the pipeline since last year, so we have over three years of forward planning on the change of that one aircraft. When the time comes and we get the right price I will come back to the Legislative Assembly and ask whether you wish to purchase another aircraft or not.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Minister say how important a role the age of these aircraft plays in the whole scheme of things in regard to the forward planning over the five to seven year period?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddén: They play a critical part because Cayman Airways basically has two jets. This is the reason why we have given a three year period to look at the hush-kitting of this and to try to get the right price, the right jet, at the right time to save.

Part of that planning has included purchasing an engine. By the way, we are able to get credit quite easily from banks these days because Cayman Airways can actually borrow again which it could not do in 1990 and 1991 and 1992. We will be able to build up the large parts that are necessary for the planning such as this which will save us a tremendous amount of money. We will pay back for that engine before the hush-kitting period in 1998.

Hopefully by 1998 the third jet will be in. If we have to lease it or buy it we will make sure that it has the proper engine power. By the way, the jet we purchased has the JTD-17s engines, rather than the 15s. That is the type of plane we are looking to purchase again.

The Speaker: The next question is No. 156, standing in the name of the Fourth Elected Member for West Bay.

QUESTION NO. 166

No. 166: Mr. D. Dalmain Ebanks asked the Honourable Minister for Education and Planning what the advantages of having Cayman Airways Limited as a National Carrier are.

The Speaker: The Honourable Minister for Education and Planning.

DEFERMENT OF QUESTION NO. 166 STANDING ORDER 23(5)

Hon. Truman M. Boddén: I would ask that this question be deferred until Monday. In an attempt to keep the business before the House we put as many of my questions as we could because I was in the Business Committee, unfortunately I was not able to get this one ready in preparing the other answers. I ask your indulgence to put this question over to one day next week.

The Speaker: The question is that Question No. 166 be deferred. shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it.

AGREED. QUESTION NO. 166 DEFERRED.

The Speaker: Proceedings are suspended for 15 minutes. The Assembly will resume promptly at 12 noon. Thank you.

PROCEEDINGS SUSPENDED AT 11.45 AM

PROCEEDINGS RESUMED AT 12.08 PM

The Speaker: Please be seated. Question No 167, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 167

No. 167: Mr. D. Kurt Tibbetts asked the Honourable Third Official Member responsible for Finance and Development if Government's revenue for 1996 is in line with the projected figures.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: As I mentioned earlier in answer to a previous question, Government revenue for 1996, which for the purpose of this question is interpreted to mean recurrent revenue, is currently running above the projected figures. Based on the recurrent revenue performance through 31st July, 1996, the

Treasury projection through 31st December, 1996, is \$193 million versus the budgeted figure of \$184.6 million approximately 5 per cent above budget; or in monetary terms \$8.4 million above budget.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Member say if expenditure is in line, or if it is over or under?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: The expenditure through the end of July is under the budgeted figure. On recurrent expenditure, what the budgeted position shows is that expenditure should be in the region of \$1,176,000. Expenditure was \$99,145,000.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Member say in what areas there are increases and/or decreases in regard to the projected revenue?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: There is customs duty, tax fees, services and miscellaneous income.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Are they all over and above projected revenue in each of those areas?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Yes, Madam Speaker. They are over projected revenue.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: For purposes of clarity, is it the case that there is no area that has realised less revenue than projected?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: It may be easier if I set out the duty collected up through the end of July. For duty, the budgeted figure was \$52.4 million. The amount col-

lected was \$55.2 million. Tax, \$10.2 million budgeted, amount collected \$10.9 million. Licences, \$14.6 million budgeted, \$14.8 million collected. Sales, \$2.6 million, amount collected \$2.4 million. Fees, budgeted \$26.3 million, amount collected \$28 million. Fines, \$498,000 was budgeted, collected was \$446,000.

We are talking about the budgeted allocations up through the end of July. Services, \$719,000 budgeted, amount collected \$946,000. Rental, \$132,000 budgeted, amount collected \$151,000. Interest on loans made to Civil Servants and others, amount budgeted \$840,000, amount collected \$757,000. Miscellaneous Revenue, amount budgeted \$278,000, collected \$757,000.

Contributions, amount budgeted \$3,401,000, amount collected \$2,935,000. The total: \$117.5 million collected as against \$112 million budgeted.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Member explain the last two areas he mentioned, Miscellaneous Revenue and Contributions? I think there is a fair amount of difference in the amounts there. Can he just explain what they consist of?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Under Miscellaneous Revenue we have essentially five items. We have other receipts which are items that do not fit into any other general category. We have refund of salaries. We have what is called tax and trust undertaking fees which are fees earned for services provided by the Clerk of Executive Council's Office. Again, we have another category, Miscellaneous Receipts.

These amounts fluctuate, but when we look in terms of the total sum, we see that there is a variance. This is not an item that one can specifically budget for because it embraces items which do not fall into the other general categories.

Contributions normally consist of amounts paid over from the various statutory authorities into General Revenue. This normally runs behind the other group of items for the reason that the statutory authorities are not normally paid over until close to the end of the financial year when it is established what their performance is for that specific year.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: In the very last part of the answer given by the Honourable Member regarding the contributions... I think the budgeted amount was some \$400-odd thousand dollars and the contributions received were \$2.9 million. If that is the case, can he explain the reasoning behind those contributions coming in so far ahead

of time if the usual trend is to wait until the performance is assessed at the end of the year?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: What we have done is divide this category into 12 equal amounts. Based on this, the figure as at the end of July would have reflected a sum of 712. We have done this for budgetary consistency. What has been received up to this time is \$2.9 million. So, there is a trailing element; we are running slightly behind, but it is likely to be corrected before the end of the year unless the performance of the various statutory authorities indicates that they will be unable to contribute the full amount targeted.

For example, the overall sum budgeted for the year is \$6.4 million. But the revised position through the end of the year is \$4.3 million which is a differential of \$2 million. We know that one of the statutory authorities at this time is carrying out certain capital works. Rather than going out and borrowing funds at very expensive rates at this time, it is agreed that they will use up the income generated throughout the year. This will mean that the \$2 million that will be given up in this area will have to be compensated for by excess revenue realised in other areas or a corresponding reduction in expenditures elsewhere.

The Speaker: The Third Elected Member for West Bay. This is the last supplementary on this question.

Mr. John D. Jefferson, Jr: I wonder if the Honourable Member can say, based on the information given with respect to the recurrent revenue and expenditure, what the surplus for the period in question is?

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Up through the end of July, the excess of revenue over recurrent and statutory expenditure is \$18.4 million. As I mentioned in answer to a question earlier this morning, the capital expenditure up through the end of July amounts to \$13.8 million. Of this amount, approximately \$8.2 million qualifies for draw-down against loans which have been approved. But because of the favourable cash position up through the end of July, rather than drawing down those loan funds, we have used the excess revenue in order to fund those projects.

The sum which qualifies for expenditure against local revenue is \$5.6 million. So when we take the \$5.6 million and we deduct that from the surplus of \$18.4 million, we see that we are looking at approximately \$12.8 million net surplus position as at the end of July.

It is expected that this trend will continue through the end of the year, only that the surplus will become much smaller. But at the end of the year, we are hoping to be in a position where we will realise a surplus.

SPEAKER'S VIEWS ON QUESTION TIME

The Speaker: I would like to set out some views on Question Time. We have very explicit regulations concerning the type of questions that should be asked, but there is nothing about answers. I would draw Members' attention to page 295 of *Erskine May Parliamentary Practice - 21st Edition*, which states that: "**An answer should be confined to the points contained in the question, with such explanation only as renders the answer intelligible, though a certain latitude is permitted to Ministers... and supplementary questions, without debate or comment, may, within due limits, be addressed to them, which are necessary for the elucidation of the answers that they have given.**"

We are now taking an inordinately long time to deal with questions because they are getting very lengthy. I bring this to the attention of Members.

The next question is No. 168, standing in the name of the Second Elected Member for George Town.

QUESTION NO. 168

No. 168: Dr. Stephenson A. Tomlinson asked the Honourable Minister for Education and Planning how often Government reviews the annual subsidy to Cayman Airways Limited.

The Speaker: The Honourable Minister for Education and Planning.

DEFERMENT OF QUESTION NO. 168 STANDING ORDER 23(5)

Hon. Truman M. Boddin: I had hoped to have the answer to this, however I was not able to review it. I ask that the answer to Question No. 168 be deferred until a later Sitting.

At least I have complied with a very short answer there!

The Speaker: The question is that the answer to Question No. 168 be deferred until a sitting during this meeting. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The answer is accordingly deferred.

AGREED. QUESTION NO. 168 DEFERRED.

The Speaker: Question No. 169 is standing in the name of the Third Elected Member for Boddin Town.

QUESTION NO. 169

No. 169: Miss Heather D. Bodden asked the Honourable Minister for Tourism and Aviation and Commerce to explain the difference between Government's original estimate of \$5 million and the estimated Caribbean Development Bank amount of \$8.7 million for the restoration of Pedro Castle.

The Speaker: The Honourable Minister for Tourism and Aviation and Commerce.

Hon. Thomas C. Jefferson: There are two estimates, one prepared in 1994 by Commonwealth Historic Resources Management (CHRM) which totals C\$4,981,000, and the estimate prepared by Caribbean Development Bank (CDB) in 1996 is \$8,676,000.

The estimate from CHRM is a construction estimate and deals with the cost of Pedro Castle Restoration, Visitor's Centre, furniture, fittings and multimedia, external works, architecture and engineering and construction management.

The estimate from CDB is on an economic cost analysis for the entire project. CDB estimate adds to the CHRM estimate: (a) \$552,000 for road improvement to the project and an increase in the square footage to the Visitor's Centre; (b) \$675,000 for land which was bought in 1991; (c) operating cost of \$330,000 for six months (which will not now be required); (d) start-up expenses of \$345,000; (e) physical and price contingencies of \$1,412,000 which may never be spent; (f) commitment fees of \$41,000; and (g) capitalised interest of \$340,000 which was based on the original interest rate of 7.75 per cent, but Government negotiated it down to 6.75 per cent.

SUPPLEMENTARY

The Speaker: The Third Elected Member for Bodden Town.

Miss Heather D. Bodden: Based on the present restoration progress, when can the public expect that restoration will be completed?

The Speaker: The Honourable Minister for Tourism and Aviation and Commerce.

Hon. Thomas C. Jefferson: The restoration of the Castle itself as a building will be completed in the early part of October. However, the visitor's centre... and may I back up? The Steadman Bodden Home, which is wattle and daub, has already been restored. The bake-oven is in place and the visitor's centre is scheduled to be completed in the summer of 1997.

The Speaker: The next question is No. 170, standing in the name of the Third Elected Member for Bodden Town.

QUESTION NO. 170

No. 170: Miss Heather D. Bodden asked the Honourable Minister for Tourism and Aviation and Commerce to state what the Pedro Castle project entails.

The Speaker: The Honourable Minister for Tourism and Aviation and Commerce.

Hon. Thomas C. Jefferson: The project includes the development of buildings and parking to accommodate up to 150,000 visitors per year. The specific components of the development include:

- the restoration of Pedro St James to its original appearance in 1780-1820;
- the restored grounds, gardens and outbuildings;
- the Steadman Bodden House;
- an interpretative walk;
- the visitor's centre and court yard;
- theatre and multimedia show;
- gift shop;
- resource centre;
- restaurant;
- offices;
- washrooms.

Pedro Castle will undoubtedly become a major tourism attraction when the project is completed. However, the historic value of this site will be highlighted through its interpretation; the major theme being that it was the birthplace of democracy in this country and it served the Caymanian community in a number of capacities throughout the years.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: The Honourable Minister stated as the first specific component of the facility, the restoration of Pedro St James to its original appearance in 1780-1820. As it appears now, the outside finish is something that I personally did not visualise as how it would have looked in those times. Can the Minister explain if pictures or some available facts have caused the restoration process to end up looking like that?

The Speaker: The Honourable Minister for Tourism and Aviation and Commerce.

Hon. Thomas C. Jefferson: We have a Historic Committee dealing with this project. Extensive archival research has been done in Spanish Town Jamaica, in London England, in Madrid Spain. We have in our possession, displayed in the Steadman Bodden House, which is on site, photographs to take us back to 1910.

Those photographs, although in a different state than the Member asking the question sees the project at the present time, when you examine the photograph,

within the stone structure there are rafters at different levels which is an indication that the building did have three stories and it was a great house of that era.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: I am sorry if my question was not clear to the Honourable Minister, but I was not questioning the number of stories, or rafters, I was questioning the outside finish on the structure - the outside walls.

The Speaker: The Honourable Minister for Tourism and Aviation and Commerce.

Hon. Thomas C. Jefferson: The outside wall features are also taken from the research I have just mentioned.

The Speaker: The Third Elected Member for Bodden Town.

Miss Heather D. Bodden: In what way will it impact the people in the district of Bodden Town and how do they stand to benefit?

The Speaker: The Honourable Minister for Tourism and Aviation and Commerce.

Hon. Thomas C. Jefferson: As I envisage it, the project will bring more activity in the Savannah and eastern districts. It is proposed that there will be organised tours which will be sold on board cruise ships, taking them from the Port to Pedro Castle, and to the Botanic Park. I believe that activity in addition to those visitors arriving by air, and the promotion of those two heritage attractions in the various hotels and condominiums, will tend to put more people in the Savannah area than one would normally see.

When you have people visiting a particular area on a daily basis, the demand for services increases. As a result, the people of that area should benefit significantly year by year.

The Speaker: The next question is No. 171, standing in the name of the Third Elected Member for Bodden Town.

QUESTION NO. 171

No. 171: Miss Heather D. Bodden asked the Honourable Minister for Tourism and Aviation and Commerce to explain the loan received from Caribbean Development Bank to assist the funding of Pedro Castle.

The Speaker: The Honourable Minister for Tourism and Aviation and Commerce.

Hon. Thomas C. Jefferson: The Government of the Cayman Islands has received approval from Caribbean Development Bank (CDB) for a loan to assist in financing the development of Pedro St James Castle as a heritage tourism attraction. Under this project, the existing "castle"

will be reconstructed and retrofitted to function as a museum with a new visitors reception centre and parking facilities, the surrounding restored grounds will include floral gardens and outbuildings. The capital cost of the project is estimated to be \$8.68 million, of which funding in the amount of \$4.83 million is being requested from the CDB.

The terms of the loan include the following: interest rate of 6.75 per cent reduced from the initial rate of 7.75 per cent following negotiation between the Government of the Cayman Islands and CDB. The repayment period of 17 years is inclusive of a five year grace period and commitment fee of 1 per cent.

SUPPLEMENTARIES

The Speaker: The Third Elected Member for Bodden Town.

Miss Heather D. Bodden: Can the Honourable Minister say if the Pedro Castle project, which began prior to November of 1992, did envision restoration of the project being funded by Government revenue and borrowings?

The Speaker: The Honourable Minister for Tourism and Aviation and Commerce.

Hon. Thomas C. Jefferson: Madam Speaker, I am guided by your request to be brief, so I will try to do that on this occasion.

This particular project, from its earliest days, envisaged the project being funded partly from Government revenue and partly by loan funding.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Minister state whether the figures quoted in his answer are in CI dollars? If my memory serves me right there was an amount approved in Finance Committee of 5.79 million United States dollars.

The Speaker: The Honourable Minister for Tourism and Aviation and Commerce.

Hon. Thomas C. Jefferson: The figures mentioned in the answer are Cayman Islands dollars.

The Speaker: That concludes Question Time for this morning.

Government Business, Bills, First Readings, Suspension of Standing Order 46. The Honourable Minister for Tourism and Aviation and Commerce

SUSPENSION OF STANDING ORDER 46

Hon. Thomas C. Jefferson: In accordance with Standing Order 83, I move the suspension of Standing Order

46 to allow the First Reading, and other readings, of the Tourism Attraction Board Bill, 1996, to be taken.

The Speaker: The question is that Standing Order 46 to allow the First Reading, and other readings, of the Tourism Attraction Board Bill, 1996, to be taken.

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

AYES.

The Speaker: The Ayes have it. The Standing Order is accordingly suspended.

First Readings.

AGREED. STANDING ORDER 46 SUSPENDED.

GOVERNMENT BUSINESS

BILLS

FIRST READINGS

TOURISM ATTRACTION BOARD BILL, 1996

Clerk: The Tourism Attraction Board Bill, 1996

The Speaker: The Bill is deemed to have been read a first time and set down for Second Reading.

Second Readings. Continuation of the debate on the Proceeds of Criminal Conduct Bill, 1996. The Fourth Elected Member for George Town.

SECOND READINGS

PROCEEDS OF CRIMINAL CONDUCT BILL, 1996

(Continuation of debate thereon)

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

When we concluded yesterday afternoon I was winding up my question concerning the cost of the applications under this Proceeds of Criminal Conduct Bill being borne by the Government of the Cayman Islands. Just to close off on that point: Is there a method envisaged by which the costs of such applications will be borne outside of the coffers of the Cayman Islands Government? My position is that it should not be any gentlemen's agreement, but it should be in some form of legislation, whether in this Law or otherwise. I trust that in his winding up the Honourable Second Official Member will address that point.

The next question that I raise regarding this Bill (and I crave your indulgence to draw a comparison) is: In the Mutual Legal Assistance (United States of America) Law, 1986 (commonly referred to as the MLAT Law), section 3, which is the implementation of the Treaty, it reads: "**This Law shall apply for the purpose of giving effect to the terms of the Treaty, which has legal effect in the**

Cayman Islands, for the provision of mutual assistance between the authorities in the United States and the Cayman Islands, for the suppression of criminal offences of the nature and circumstances provided in the Treaty...".

It goes on further, but the operative section I wish to draw a comparison to is "...for the provision of mutual assistance between the authorities in the United States and the Cayman Islands...". It is very possible that I have not seen it in this Bill, but I do not see where there is anything specifically mentioned with regard to the question I raised. Do we intend to follow international precedence and only allow countries that enter into reciprocal agreements with the Cayman Islands to make these applications here? My reference to the MLAT is because it is specific between the United States and the Cayman Islands.

In this instance I am not necessarily referring only to the United States of America, but certainly it would be inclusive of the United States because I do not know if such an agreement is in the works or if there is any intention for it to be reciprocal. So I feel that it is necessary to address that.

Moving on into the Bill, section 3 of the Proceeds of Criminal Conduct Bill, 1996, refers to "Definition of principal terms used." Section 3(1)(a) and (b) says: "**In this Law, "realisable property" means, subject to subsection (2): (a) any property held by the defendant; and (b) any property held by a person to whom the defendant has directly or indirectly made a gift caught by this Law.**".

If we read section 3 (12) it says: "**(12) For the purposes of this Law: (a) the circumstances in which the defendant is to be treated as making a gift include those where he transfers property to another person directly or indirectly for a consideration the value of which [and this is important] is significantly less than the value of the consideration provided by the defendant; and (b) in those circumstances, the preceding provisions of this section shall apply as if the defendant has made a gift of such share in the property as bears to the whole property the same proportion as the difference between the values referred to in paragraph (a) above bears to the value of the consideration provided by the defendant.**".

Complicated, Madam Speaker, to say the least! Nevertheless, I tried to grasp the meaning here. I am going to quickly paint a scenario which will beg the question I wish to have answered.

Looking at the real estate market in the Cayman Islands on the Seven Mile Beach, I think it is fair to say (based on the history of the market forces existing in that area) that it is very possible a property bought on the day this law comes into effect will, four years down the line, be worth significantly more than the original purchase price. Not only is it very possible that the supply and demand and the obvious rise in real estate value and prices will prevail, but many times when you are getting in on the ground floor of such projects, you are able to get very good prices and sometimes even be able to assign your

contract to others, and make a quick turn-over, and somebody else owns the property.

Taking all of that into consideration, let us say that an individual purchased one of these high priced properties on the day this law comes into effect, and that the purchase price was US\$5 million. Four years from now the same person who purchased the property would not only have had the opportunity to live in that house or condominium, but it quite likely would have been in a rental pool, or some income would have been derived during that period of time. That person decides that he/she wishes to be domiciled elsewhere so they put the property up for sale. In so doing, the person is quite happy to accept a reduced price to sell the property fairly quickly because they want to move on.

I, an ordinary citizen of the country, realise that while the value is probably \$900,000, the person selling might be happy to accept \$700,000 for that unit. He is still making a profit, has had the benefit of an income from it and is happy to take it and leave. So I purchase this property for \$700,000. I have the same idea in mind - rentals. Once I can carry the purchase price the turn-over to me is worth more than the money in the bank. So I purchase the property.

Someone from another territory has a problem with the original owner of this property and it is assumed that this person might have received some funds by some illegal means in another territory. Therefore, an application is made in the Cayman Islands regarding that individual and it is easily traced that this individual was the previous owner of the property which I now own. I knew nothing about this individual before, I heard and saw nothing. I simply purchased some real estate which that person owned.

My question in this case is: Would I face any risk whatsoever because the value of the property I purchased might be \$200,000 more than what I actually paid to that individual?

I do not necessarily profess that this might be the rule. It might be the exception. But the point I make is that if this were a true story, I could have been a totally innocent victim of this whole process. If that were to happen, where do I fit in? What happens to my property? What type of inconvenience occurs during the whole process to someone like myself?

Moving into the Bill, under the heading of 'Money laundering and other offences,' section 20, subsection (2) reads: "**The Governor shall appoint in his discretion two or more persons to act as the Reporting Authority.**"

Section 21 is another section that I do not fully understand. I wish to have someone explain it to me before this entire episode is completed. It reads: "**knowing or suspecting that A is a person who is or has been engaged in criminal conduct or has benefited from criminal conduct, shall be guilty of an offence.**" I should probably read the sections before that, but I am trying not to read everything to ask my question.

In summing up, I am wondering where the burden of proof in this whole scheme of things lies. As far as I un-

derstand it, the way the law works on most occasions is that a person is innocent until proven guilty. This thing is saying that if a person knows or suspects that another person is engaged in criminal conduct - *suspects* that person is guilty of an offence.

Speaking seriously, I am trying to fully understand who is going to determine if I *suspect* something? Who is going to put all of the eggs in the basket and come up with the correct answer - whether I should be charged because I *suspect* some individual, some group, some computer or some piece of paper or whatever, and therefore am guilty of an offence?

If we move on in that same vein, although there is a section following it, you wonder to yourself where it says under section 6, "**Where information is disclosed to the reporting authority under subsection (3) the reporting authority shall not further disclose the information without the consent of the Attorney-General who, when considering whether to give his consent, shall take into account the purpose for which the further disclosure is to be made and the interest of third parties and the Attorney-General may impose such conditions on the further disclosure as he may think fit.**"

I do not envy whoever sits as the Honourable Attorney General in these Islands in having to deal with this when it becomes law. What this says to me is that there can be pressure put to bear on individuals. The individual may well feel threatened because of the overwhelming circumstances they face. I need not explain that in any more detail.

At that point in time disclosures would include the suspicion we are talking about. I know that I may be using exceptions as examples, rather than the rules, but that is where the problem occurs - when innocent parties are involved. I think that is everybody's question regarding this Bill.

I do not think there is anyone who does not want to achieve what this Bill says it will achieve, I just think there are some questions in regard to how many innocent parties may have to face hardships to allow the process as it is put forth in this proposed legislation.

Going on...

The Speaker: Honourable Member, may I stop you at this moment?

Mr. D. Kurt Tibbetts: Certainly.

ANNOUNCEMENT BY SPEAKER

The Speaker: Before suspending for lunch there is a matter that I need to bring before Members.

The Honourable Third Official Member has to be off the Island on Monday, 23rd September, on official business and it is important that the Proceeds of Criminal Conduct Bill and the Monetary Authority Bill be dealt with, if at all possible, before his departure, bearing in mind that the House would be dissolved on Monday, 30th September.

It is being proposed, subject to concurrence of Members, that the House sit beyond 4.30 PM. May I have some indication if Members are willing to do that?

The Second Elected Member for Cayman Brac and Little Cayman

Mr. Gilbert A. McLean: I rise to most strongly object to the very thought of it. This session of the House has been called since September the 4th. It has been repeatedly adjourned by the Government which has not been prepared with the various Bills. We understand answers to questions have not been prepared; the Standing Orders have been suspended to deal with matters, and it is presuming that there should at least be some degree of diminished debate on these two very important Bills, particularly the one presently before the House and the one to come.

It is certainly my opinion that they are both important, particularly the confiscation Bill we are now dealing with. I think the Calendar of the Third Official Member and of the Government should be more properly handled instead of presuming that these Bills can just be passed by extending the debate here today.

I object to the extension, particularly at this time on a Friday evening in this manner. However, I am but one person in that view.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Thank you, Madam Speaker.

We have always endeavoured to accommodate Members whenever it is necessary. In this instance, the Honourable Third Official Member responsible for Finance and Development does have a very important commitment abroad. We have adjourned this House both for Opposition and Government before, and I should mention that just this morning, in fact every morning this House has sat during this meeting and last meeting... normally, not always, but normally, the majority of the time Standing Orders are suspended by the Opposition to allow for questions to be taken. Every day they have been suspended.

So the suspending of Standing Orders in relation to this is only one compared to the many that are done every day. I think we have to be reasonable. The Honourable Third Official Member responsible for Finance and Development does need to go abroad and we should allow him that courtesy and try to finish the Bill.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Please, if Members wish to speak I ask them to stand up. Thank you.

Hon. George A. McCarthy: The reason I have to go off the island on Monday is to attend the Commonwealth Finance Ministers' Meeting that is being held in Bermuda.

One of the main items on the agenda over there is money laundering and the need for various territories to introduce appropriate legislation such as that under consideration at this time.

I have attended meetings similar to this in the past, and we are aware that in the international community today when references are made to major financial centres, the Cayman Islands falls in the front line. The Government desires that when the Chancellor of the Exchequer is about to make reference to the legislation that exists in Britain and the need for such legislation to exist particularly in the dependencies and other countries for which the United Kingdom has responsibility, such as Guernsey, the Isle of Man, and so on... as I have said, we have always taken a pioneering approach and the decision is for us to say that we have introduced appropriate legislation.

Secondly, the Second Elected Member for Cayman Brac and Little Cayman makes reference to the point that there is a need for these Bills to be brought to the House in a timely manner. I totally agree with that. But as the Member can appreciate and as communicated (probably not directly) to him, because of the importance of these Bills ongoing consultations had to be held with the financial industry and the various representatives of the different associations. At the end of the day everyone is committed to the efficient and balanced working of our financial industry. So it is necessary to take their views on board.

I could have gone ahead with the Monetary Authority Bill and as soon as instructions were issued on the necessary approval granted by Executive Council, pass on those instructions to the legislative draftsman through the Attorney General and the Bill would have been prepared and sent down to the Legislative Assembly. But at the end of the day, I think that Members of the House would not have been happy with that approach. I am sure, although the Bill would have come here in a timely fashion, they would be subjected to complaints from various members of the financial community, and rightly so, to say that consultation that could have had major impact on the business being done in Cayman was not carried out.

It was suggested yesterday that when you are up front and doing well, that your competitors always want to direct unfavourable remarks. Fortunately for us, our credibility and our ability to achieve the right balance and for us to be recognised today as a major financial centre, are beyond reproach or question. So what we are trying to do is to put ourselves in position so that when announcement is being made, the Cayman Islands will not be listed as one of the other countries that has yet to deal with these major pieces of legislation.

The legislation in question is the Proceeds of Criminal Conduct Bill. What we are attempting to do, as pointed out in the Memorandum of Objects and Reasons, because of the significant growth we have been experiencing as a financial centre, is to streamline our regulatory regime in order to have one consistent with

the demands being placed upon the financial industry. It is for this reason that we are going ahead.

As Members are aware, in March of this year legislation was introduced in this House to put in place our Stock Exchange in Cayman. Everything suggests that our regulatory regime, while functional, should focus on them because we can look at the volume of business as being generated on the one hand, but unless we can look and be satisfied that our regulatory systems are consistent in terms of meeting the requirements of those demands, we would be falling short.

It is not a perfect world, and I would like to have been able to have given the House the 21 day notice on the Monetary Authority Bill. I am sure that the Honourable Attorney General would have liked to have done so on the Proceeds of Criminal Conduct Bill, but I do not think that we will ever get away from the point of consultation.

It is interesting, although we have consulted widely there are still areas in the financial industry who may be of the view that consultations should still be ongoing.

It is for these reasons I am craving the indulgence of Members of this Honourable House to give consideration to these pieces of legislation being allowed their second readings.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: I hold the view that it is extremely unreasonable to come here at this time to request that debate be expedited and accelerated because there is a necessity for one of the Members of the Government to go overseas. While I am sympathetic and I would like to be in a position to say it will be of great benefit, I hold the view that this is Parliament; this particular piece of legislation was supposed to have arrived here two years ago.

In an attempt to pander and cater to special interests it arrives at the eleventh and three quarters hour. Now, in the house of democracy, we are saying that democracy must be curtailed for something which is politically expedient. It would be remiss of me, and I would not be Roy Bodden, if I supported this kind of gesture.

The notion of the suspension of Standing Orders.... I would like to remind that Honourable Minister that just today, there was only one question from the Second Elected Member for Cayman Brac and Little Cayman and one question from myself, the two Members of the Legislature who have tabled the most questions. So if we were in the business of expediting the business of Parliament, can you explain to me how only one question from each of the Members named appeared on the Order Paper?

This is a House of debate. While it is true that it is important that we be in a position to report that we have passed this Bill, I cannot, in the interest of democracy, stand here and agree to the curtailment of debate. This is Friday evening, and we are just being asked at this hour to work late in the evening?

All of us have family responsibilities and obligations. It is most inconsiderate and I cannot support it. Of course, there are only two of us (sometimes three), so our vote and support technically is not needed. It will have to pass without my support.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

As the individual now debating this specific Bill regarding the Proceeds of Criminal Conduct, and as somebody who is able to not deal with whose side anyone is on, on any given day, I want to say that the more I have been looking at this piece of legislation, the more questions I have in my mind.

I understand all that has to happen, but this is not one of those pieces of legislation that we can come back to as we please to make amendments. There are a few things which I firmly believe are very important which need to be discussed. There are possibly one or two amendments that I believe when everybody sees what others are talking about they may all agree need to be done.

Believe me, I stand here with no agenda about sides. But I accept and understand my responsibility as a representative in this Legislative Assembly. My fear at this point in time is that in order to achieve the goal that everything is not handled in a proper fashion. I have to express great fear and trepidation over this situation.

The Speaker: The Honourable Second Official Member.

Hon. Richard H. Coles: Perhaps it would be appropriate for me to say something on this matter.

Let me hasten to make one thing absolutely clear: There is absolutely no intention by the Government to stifle or shorten any debate on this Bill or any other Bill. The only request was that the House consider extending the sitting today to enable both of these Bills to be debated further. Whether or not they actually finish today is entirely a matter for the House and the Members. There is no question of trying to curtail debate. That is entirely a matter for the Members here, really a question of inviting Members (whether in the circumstances that the Honourable Third Official Member responsible for Finance and Development has outlined) if they would feel it appropriate for the House to continue to sit beyond 4.30 this afternoon, or indeed, any other occasion that yourself, as Speaker, and Members wish to do so.

I do not think that equates at all with stifling of debate. In fact it is the reverse. What is actually proposed is that more time be allowed for that to happen.

The Speaker: I need to say at this time that there is no formal motion before the House.

The Honourable Minister for Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: That is what I was going to ask. I did not hear any formal motion. I thought at the end of business today, at 4.30, there would have been a motion, but it seems like the debate has gone to that extent.

I think the motion should be put if we are going to put one, so that if anyone else wants to speak... unless you are going to allow anyone else to speak, to do so.

The Speaker: I am prepared to have a motion. I just thought that Members would like to have had advance notice of the intention of going beyond 4.30. Now I can entertain a motion, rather than having a debate at 4.30 again.

Would someone move a motion that we continue beyond 4.30? Or shall we leave it until 4.30?

MOTION TO SUSPEND STANDING ORDER 10(2)

Hon. Truman M. Bodden: I move a motion that this Honourable House continue beyond 4.30 PM until the Proceeds of Criminal Conduct and the Monetary Authority Bill be completed through the third stages.

The Speaker: I think it would be fair enough to say beyond the Committee stage.

Hon. Truman M. Bodden: Yes. Beyond the Committee Stage and the Third Reading.

The Speaker: Members have heard the Motion and I shall put the question. Those in favour please say Aye...Those against No.

AYES & NOES.

The Speaker: The Ayes have it.

Mr. Gilbert A. McLean: Madam Speaker, can we have a division?

The Speaker: Yes, you may.

Clerk:

DIVISION NO. 5/96

AYES: 15

NOES: 3

Hon. James M. Ryan
 Hon. Richard H. Coles
 Hon. George A. McCarthy
 Hon. W. McKeeva Bush
 Hon. Thomas C. Jefferson
 Hon. John B. McLean
 Hon. Truman M. Bodden
 Hon. Anthony Eden
 Mr. John D. Jefferson, Jr
 Mr. D. Dalmain Ebanks
 Dr. Stephenson A. Tomlinson
 Mrs. Berna L. Thompson Murphy
 Capt. Mabry S. Kirkconnell

Mr. D. Kurt Tibbetts
 Mr. Gilbert A. McLean
 Mr. Roy Bodden

Miss Heather D. Bodden
 Mrs. Edna M. Moyle

The Speaker: The result of the division is 15 Ayes, three Noes. The House will continue beyond 4.30.

AGREED BY MAJORITY: STANDING ORDER 10(2) SUSPENDED TO ENABLE THE HOUSE TO SIT BEYOND 4.30 PM UNTIL THE PROCEEDS OF CRIMINAL CONDUCT BILL AND THE MONETARY AUTHORITY BILL ARE COMPLETED BEYOND COMMITTEE STAGE.

The Speaker: Proceedings are suspended until 2.30 PM.

PROCEEDINGS SUSPENDED AT 1.21 PM

PROCEEDINGS RESUMED AT 2.32 PM

The Speaker: Please be seated.

The Fourth Elected Member for George Town, continuing the debate.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

In continuing my contribution to this debate, following the paper trail.... If we notice on page 31 of this Bill under "Money laundering and other offences," section 20(2) states: "**The Governor shall appoint in his discretion two or more persons to act as the Reporting Authority.**" As it moves on it discusses where information is disclosed to that Reporting Authority and it also speaks about that Authority not further disclosing that information without the consent of the Attorney General who has certain considerations to make in deciding whether that information should be disseminated elsewhere.

While it tells me in the Bill what the Attorney General has to take into account in the making of that decision, I question, if it is a unilateral decision on the part of the Attorney General, what other checks and balances do we have in place to ensure that the ultimate decision-making process is done without any credence paid to outside pressures? Maybe I should not expound on that any further. I think my question is understood.

Referring back to the MLAT (United States of America) Law of 1986, section 4, how this is dealt with, it says, "**For the purpose of Article II the Cayman Mutual Legal Assistance Authority shall be the Chief Justice, who shall exercise his functions under the Treaty and this Law acting alone and in an administrative capacity; or another judge of the Grand Court designated by the Chief Justice to act on his behalf.**"

The comparison of methods used which I am making simply leads me to ask: Should there be any question on the part of any of the parties involved regarding the validity of the decision-making process of the Attorney General? Is there room by way of court proceedings to question that decision because of the method by which it is being done? I do not have the answer to that and I would certainly like to know. The way it has gotten

around in the MLAT 1986 Law is by a judge acting in an administrative fashion. I do not fully understand whether this will be the case, the way it is being presented in this Bill.

Over on page 34 we come to (and I think this will be the final area I will discuss) what I hope each and every Member in here this afternoon (as boring as it may seem) will pay special attention to. Unless I am totally misunderstanding what is being said here, I think there is a problem.

Section 21 (10), as has been said by the Honourable Second Official Member, reads: **"In this Law "criminal conduct" means conduct which constitutes an offence to which this Law applies or would constitute such an offence if it had occurred in the Islands."** The terminology that is commonly used regarding this situation is what they call "dual criminality".

Having established from section 22(10) that the criminal conduct would constitute such an offence if it had occurred in the islands, my understanding of that is that if there were an application made within the Cayman Islands regarding an offence created outside of these islands for everything to trip in, that offence would have to be an offence also within the Cayman Islands. That is my understanding of it.

When we go over to page 48 of the Bill and we look at the Schedule, the "Definition of principal terms used" reads:

"3. (1) In this Schedule-

(a) "drug Trafficking offence" has the same meaning as in the Misuse of Drugs Law (1995 Revision);

(b) references to conduct to which this Schedule applies are references to conduct which-

(i) constitutes an offence to which this Law applies or would constitute such an offence if it had occurred in the Islands, other than drug trafficking offences and offences which relate directly or indirectly to the regulation, imposition, calculation or collection of taxes subject to (ii);"

This is where the problem occurs, to my mind. With the exception of offences which are constituted by:

"(I) wilfully or dishonestly obtaining or conspiring to obtain money, property or valuable securities from other persons by means of false or fraudulent pretences or statements, whether oral or written, or accounting documents regulating or affect-

ing benefits available in connection with the laws and regulations relating to income or other taxes; and

(II) wilfully or dishonestly making [and this part is important] or conspiring to make false statements, whether oral or written, to government tax authorities with respect to any tax matter arising from the unlawful proceeds of any criminal offence triable on indictment, or wilfully or dishonestly failing to make a report or return to government tax authorities as required by law in respect of, or to pay the tax on, any such unlawful proceeds;"

Let me pause to say that on the fourth attempt I understood the section. Before anyone starts to write, let me explain that I am not questioning the ambiguity of what I just read with section 22 (10) because I do understand that it is referring to the unlawful proceeds and no reporting of any taxes being paid on those unlawful proceeds. I understand that.

The question I have (because I am a layman)... and we must all remember that when this is made into Law, the person who is of a legal mind will easily be able to read the document and understand that the honest, upright citizen who is dealing with our jurisdiction (once he is not dealing with any illegally-gained funds) has no fear of this section because any non-reporting of tax matters regarding his other assets or income which is not illegal in the Cayman Islands is not something that we will have to worry about. I understand that.

But my contention is that the same people I am talking about who utilise the advantages we have created in these islands (by it being what is loosely termed nowadays as a 'tax haven'), if they pick up this document, as I did (and it took me four times), and read this wording "with the exception of offences..." the moment they get a bit further down they will see this thing about this tax, that tax and the next, and will say, "Oh God! I have to go." That is my contention.

So my argument is not the correctness of the Law, and I thank God that I read it three or four times because the Honourable Second Official Member would have really been able to bend me out of shape in his reply if I had not finally gathered what it meant. But it still begs the question whether or not there is a better way to utilise the Queen's English in order to make the same statement in the Law.

Let me try to put it in a nutshell and make sure that I make clear what I am trying to say. I am not questioning for one second what this intends to achieve in the two or three paragraphs I just read. I am not suggesting that it should achieve anything different. I am saying that very seriously. I really hope that we are trying to understand this and take this matter seriously because when this is made into Law it is not something (whoever the new

Government is, whether it is the same, or others, or whether I am in here or not) that we are going to be able to come back and figure we can just make a few little changes and tidy it up.

So, while I may be labouring on that one point, it is my contention that out of every single word and every single phrase and every single sentence in this piece of legislation, that little phrase "with the exception of offences which are constituted by...", and what follows thereafter is the most worrisome part of this legislation.

It has been drawn to my attention that in the very worthwhile efforts of the party that visited the Mother country to discuss this issue that there was debate on this same section of this proposed Bill. Let me say that whether or not I win this little battle here this evening, I know that I will have done what is right. The decision at the end of the day is not going to be mine. I am going to stick my neck out and risk whatever is to be risked, if anything, to make it be known before this Bill is passed how it can read.

There is a piece of correspondence (and unless I am forced to, my exercise is not about who, where or whatever; my problem is as I just explained) from which I need to use excerpts to show this Honourable House that there is a way out of this without us causing or getting into any trouble, and without our encouraging the risk of individuals misunderstanding that piece of legislation and it having negative effects on one of our most important industries. Excerpts from this letter read as follows:

"You will, however, also recall that we felt the section read very badly and could be open to misinterpretation. We have reconsidered this and believe that it should be replaced with the following provision. This does not make any substantive change to what was agreed at the meeting."

Where I started to read in the Green Bill under (b), where it says, "References to Conduct", it reads as follows:

"(b) references to conduct to which this schedule applies are references to conduct which;

(I) constitutes an offence to which this law applies or would constitute such an offence if it had occurred in the islands other than drug trafficking offences and offences which relate directly or indirectly to the regulation, imposition, calculation or collection of taxes subject to; (II)."

Madam Speaker, if you notice where it says, "calculation or collection of taxes subject to", the phrase "with the exception of offences which are constituted by..." is left out. It goes on to read:

"(II) constitutes an offence to which this law applies or would constitute such an offence had it occurred in the islands and which involves wilfully or dishonestly obtaining or conspiring to obtain money....." etcetera.

I do not have to read further because it is verbatim to what is in this Green Bill. The only difference in the entire presentation is the phrase "with the exception of offences which are constituted by...".

I do not doubt that there are those who think that what I am doing is probably a political attempt to be somebody. Frankly speaking, I really do not care. If the world and people that I do not even know exist want to take me on for it, I do not care. This piece of legislation, in my personal opinion, is the single most important piece of legislation that we have faced since the 1992 elections, or at least since I have been here. I cannot speak for before.

It is almost frightening to me, because every time I read it I understand something else. But I do not mind that, because I know that I am an ordinary man. For those who think that all what I have said is not worth it, and that there is no merit to consider amending the Bill with that simple bit of wording, if nothing more; if the questions I have asked are replied to and I look like an idiot, I do not care. But it is obvious to me that in this section it is all with how it is worded. There is no change to the intention or the end result. It is only the wording.

I will say one more thing before I sit down: Inasmuch as I respect what is happening with the passage of this Bill, and inasmuch as I understand that solidarity is what is expected, I will do all that my conscience will allow me to do to be a part of that solidarity. But I stand here to say that if no one is prepared to look at this section then it will be done without me.

Thank you.

The Speaker: Does any other Member wish to continue the Second Reading debate on this Bill? *(Pause)*

If not, I will ask the Honourable Second Official Member if he would like to exercise his right of reply.

Hon. Richard H. Coles: Thank you, Madam Speaker.

I would like to thank the Members who have spoken on this Bill for their contributions, and I will answer the questions that have been put to me by the Fourth Elected Member for George Town. If I have recorded them accurately, I have noted seven questions and I will try to deal with them in the order in which he has put them.

I think the first point that he was making was that this legislation, whilst desirable, could have a cost implication to Cayman in enforcing the orders of overseas countries, and who was going to pay that cost. Of course, in the manner of all international treaties and international cooperation, the cost of the requesting country, remains with that requesting country; and the costs of the requested country fall to be paid by the re-

quested country. So what is required to be done under this legislation, or any other legislation by Cayman, would be borne by Cayman.

However, that is not the end of the story. The whole point of these confiscation orders that will be made both domestically and the overseas orders registered here for enforcement, is that the illicit proceeds of crime are confiscated from those criminals who have been convicted of offences. And the money that is so confiscated is forfeited. That is the whole point of the legislation. Money that is confiscated domestically in Cayman will be forfeited to the revenue of the islands.

Money that is confiscated on behalf of an overseas country under a registration will be subjected to that confiscation order and will be paid over in accordance with that. But, for many years now the Cayman Islands has always had agreements with those countries that we have assisted in criminal matters so that when such proceeds were confiscated - and this has happened in the past before this legislation, because it was not necessary for this legislation for it to happen in those instances - but those countries have shared those assets with the Cayman Islands. I say it has been going on for many years because it has, but to formalise that, I think it was two years ago that an asset sharing agreement was put in place with the United States which runs parallel with the Mutual Legal Assistance Treaty, and sets out exactly the circumstances in which assets are shared and how they are to be shared.

Those assets are used by the Cayman Islands for the purposes of drug enforcement, interdiction and rehabilitation and the purposes of law enforcement. In my opinion, there is a very pleasant irony in all of this, that the proceeds of the criminal's misdeeds are actually used for the purpose of law enforcement and drug interdiction used by the very forces that can assist in preventing such crimes in the future. I think that is a very proper way for this money to be used.

I am delighted to tell the House that in the time that assets have been shared, or have been confiscated here in Cayman, that the revenue of the Islands has benefited to a total sum of \$1,308,405.83. That is a not an inconsiderable sum of money. So, when it comes to costs, and obviously that is not the prime reason why this legislation is being put in place, I suppose one could say it is very cost-effective.

The second point that was made was the question of designating those countries that we can assist. I said when I opened this debate that the two countries the Governor-in-Council will designate under this legislation are the United Kingdom and the United States. That is absolutely so.

Of course, one of the reasons we are able to do that is because of, in the case of the United States, the Mutual Legal Assistance Treaty, and in the case of the United Kingdom, because we have a special constitutional relationship with the United Kingdom. In the case of both of those countries there is indeed reciprocity, which I think was the phrase used by the Member. That is a fundamental principle of assistance by the vast ma-

majority of countries and is certainly a fundamental principle of Cayman. In any thoughts of designating a country under this legislation, or indeed any other legislation under the Misuse of Drugs Law, for example, the principle of reciprocity would have to be dealt with first so that we could have our orders enforced in that country in exactly the same manner and as effectively as we could enforce that country's.

The third question related to gifts. The Member referred me to section 12(a) of the Bill, and the phrase, "significantly less than the value.". Members may recall that he gave an illustration of how he thought a problem might arise in that an innocent individual could find themselves penalised. I obviously need to clarify that to assure both Members and the public that innocent individuals are in no danger from this legislation.

The first point I have to make is that the person who is making the gift, and the gift includes the transfer of property at a significant undervalue, or significantly less than the value, is that the person making the gift (the donor) is a criminal - not just an ordinary innocent individual, he is a criminal. Not only is he a criminal, but he has committed the crime before he makes the gift. So the gift he is making is out of the proceeds of his crime; possibly proceeds that he has stolen from somebody else.

Surely, is it not right that if someone has stolen proceeds, has derived them from a crime, that they should be taken? There is no question of an innocent person who has made a gift in good faith and innocently to someone else of that being upset. We are talking about a criminal who has committed a crime and made a gift as defined in this law to another. So that is the first point.

The other point is that when we talk about significantly less than the value, what it means is that if a property was given away or sold at an undervalue, then the gift element of it is that undervalue. Not the property, the undervalue. So it does behove anyone who is given, or who sees a deal that is "too good to be true," the fact of the matter is that is probably is too good to be true, and that what he is being offered is in some way an attempt to hide the proceeds of crime by some particular transaction.

Any prudent person who is offered a property, or any other asset, at a price that he thinks is absolutely remarkable would be well advised, and I am sure would now make suitable inquiries to make sure that all is right. It is no less different to when someone is offered stolen property at a ridiculously low price. He has to make sensible inquiries. Anybody who makes those inquiries will soon discover whether this is a deal that he should or should not accept. I do not believe that any innocent person need have anything to fear from the question of gifts or the sale of property at undervalue.

Question number four was a very direct question. The Member referred to section 21 of the Bill. As I referred to in my opening debate, section 21, and also section 22, are the main offences under this Law. He asked the very direct question, that if somebody is going to be guilty of an offence under section 21, where is the burden of proof? Who has to prove this? How is it going to

work when the person is charged and comes before the Court? That is a straightforward question, and there is a very straightforward answer to it: The burden of proof lies where it always lies in criminal matters, with the prosecution. The burden is to the criminal standard of proof as well. There is no change to that. The prosecution has to prove the offence and they have to do so under this legislation as they have to under criminal legislation.

I think he also asked who decides whether or not the person suspects, or should have suspected. The answer to that is that the Court decides, the jury, the Judge decides that.

I believe the next question was who decides if the person should be charged. I think I have caused to be spelled out in a number of sections in here, just for the avoidance of any doubt, that no prosecution can take place without the consent of the Attorney General. That is a fact anyway because the Attorney General is responsible for all prosecutions in the Cayman Islands. But just in case there was any doubt at all, it actually says so on the face of this legislation.

The Reporting Authority was also mentioned. In that connection, section 21(6), which says that the Reporting Authority, having received the report of the suspicion, should not make any further disclosure without the consent of the Attorney General. Then it goes on to say the sort of matters that the Attorney General should take into account. I hasten to add that that is not an exhaustive list. It does not say the Attorney General *shall only* take those into account, but the Attorney General *would* take those matters into account, along with a lot of other matters as well.

In fact, the following subsection (7) says that that proviso does not apply where the information is to be disclosed within the Islands. I think I mentioned that in my opening. So we are only talking here about the disclosure overseas.

It was felt right and proper that there should be a further check on any such disclosure to re-assure those in the financial industry and legitimate customers using the Cayman Islands and its financial services. That is why it was felt quite proper to put that check in. Of course, that check, that the consent of the Attorney General has to first be obtained, is not in substitution for any other checks there may be, but in addition to any other checks that there may be. So the Member, quite rightly and helpfully, pointed to the Mutual Legal Assistance Treaty and the procedure through which requests have to go before the United States authorities can be assisted. That does not alter, none of that has changed. It remains exactly the same.

Indeed, the other ways the Cayman Islands can assist overseas countries, for example, by means of Judicial Letters of Request, they all remain in place exactly the same. In the case of the Mutual Legal Assistance Treaty, as the Member quite correctly points out, the central authority here in Cayman is the Honourable Chief Justice, or his nominee. At the moment it is one of our Judges of the Grand Court. The responsibility will remain exactly as it is now, and requests that should be

forwarded under that legislation will continue to be forwarded under that legislation.

So this check is in addition to what is already in place, and we felt it only right that it should be there. But let no one be under any illusion that it is a substitution for anything else. In fact, perhaps I can make the point that this legislation dovetails in completely with the Mutual Legal Assistance Treaty. That I can perhaps develop in one of the other questions.

The next question I made note of is... Well, I think this was a number of questions which really wrapped up into one. The Member talked about the definition of criminal conduct as it related to overseas orders; he talked about the principle of dual criminality; but, unless I misunderstood what he was saying, I think he was really leading up to his final point which was the question of the exception of taxation matters from this legislation.

Members will recall that he referred us to clause 3 (1)(b) of the Schedule and the concerns he had that this could be open to a different interpretation. I have to say that it is not a concern that I share. However, the particular section was the subject of considerable discussion, not surprisingly, because the Cayman Islands has consistently stated publicly that we would not enforce the tax statutes of another country. That is not an uncommon stance to take, in fact, it is a very normal stance to take. Many countries adopt that approach. So, of course, it is very relevant to us, and, yes, very considerable discussion took place on it.

For that reason it was felt that it would be helpful to all if we kept to the same wording as had been used in the Mutual Legal Assistance Treaty. Again, I refer to the particular Article that is mirrored in this legislation, the Article in the Mutual Legal Assistance Treaty. It was thought helpful for a number of reasons. First of all because everybody was familiar with it in Cayman. I believe that many people outside of Cayman are familiar with it, not just in the United States, because that particular piece of legislation is actually looked at by many other countries too. So, for the sake of consistency it was felt that that was the correct wording to put in. All who were concerned in the discussions were of the same opinion.

The Fourth Elected Member for George Town has offered an alternative form of wording, an alternative I am very familiar with. The reason I am very familiar with it is because it is a form a wording proposed by the Foreign and Commonwealth Office in London. The reason that we felt that it was preferable to stay with the wording in the Bill is for all of the reasons I just outlined.

But in my opinion the wording quoted by the Fourth Elected Member for George Town has exactly the same meaning as the wording in the Bill before the House. If it is the wish of the House that the alternative wording proposed be used, I have no objection at all to it being amended and included. None whatsoever. The meaning will be exactly the same, and I will be more than happy to accept that amendment to it.

I think I have covered all of the questions the Member has raised. I hope I have. I certainly tried to. As I

said, I would like to express my thanks to those Members who have spoken and to the others who I hope I take by their silence to be support and acquiescence. I think it is very important for Cayman that not only is this legislation passed and enacted, but that it is done so with the full support of the Legislature and the financial industry. I think that is the message that is so important for us to get out internationally. I believe that is the case. I believe that the Members who have spoken have shown that there is a real desire and an understanding that this legislation is necessary. I hope that in what I have said in winding up this debate that I have answered the various queries that Members have had.

The Speaker: The question is that a Bill entitled, The Proceeds of Criminal Conduct Bill, 1996, be given a second reading.

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

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given a Second Reading.

AGREED. THE PROCEEDS OF CRIMINAL CONDUCT BILL, 1996, GIVEN A SECOND READING.

SECOND READINGS

MONETARY AUTHORITY BILL, 1996

The Speaker: The Monetary Authority Bill, 1996. The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: Madam Speaker, I beg to move the Second Reading of a Bill entitled, A Bill for a Law to repeal and replace the Currency Law (1995 Revision) to establish the Cayman Islands Monetary Authority to provide for the transfer to the authority of certain functions and assets of the Government and of the Cayman Islands Currency Board and for incidental and connected purposes.

As Honourable Members have heard said on numerous occasions, the Cayman Islands are today ranked as the fifth largest financial centre in the world behind such major participants as London, New York, Tokyo and Hong Kong. To be ranked as the fifth largest financial centre is not a placement that we have achieved by accident, but is essentially due to the careful planning and development of our financial industry over the past three decades. Further, this recognition has been primarily achieved through the close working relationship between successive Governments acting in consultation with our financial community to ensure that legislation

remains current, innovative, and responsive to the demands of the local financial industry and the global market place.

As Members of this Honourable House are aware, the current title of our regulatory regime is "The Financial Services Supervision Department" or FSSD. The FSSD at present, is responsible for the regulation of 573 Banks, 407 Captive Insurance Companies, 32 Licensed Company Managers, and 1,241 Mutual Funds.

These numbers are an indication of the confidence placed in the Cayman Islands by the international community. To ensure that this confidence continues to be fostered will require the need to continually review and enhance the strength and effectiveness of our regulatory regime. It is therefore as a consequence of this ongoing review that a decision has been taken to transform our regulatory regime to that of a Monetary Authority.

The title "Monetary Authority" is an internationally accepted term used to describe an institution which undertakes a number, but not all, of the functions, normally associated with a central bank. The presence of such an institution also tends to be an indication of the state of development of a country's economic and financial infrastructure. Among the countries with established Monetary Authorities are Hong Kong, Singapore, Bahrain, and Bermuda.

Madam Speaker, as you and Honourable Members of this legislature are aware, there are two typical central banking functions which are currently performed by separate bodies within the Government. These functions are: (1) The management of our currency and its related reserves, which is performed by the Currency Board, a statutory body; and (2) The regulation of the financial industry undertaken by the FSSD, as mentioned earlier. The introduction of this legislation will now make it possible to combine these two functions under the umbrella of a single entity, i.e., the Monetary Authority.

At this point I would like to publicly thank the Bank of England for its assistance in making available the services of Mr. Richard Chalmers in the capacity of an advisor to assist us in the development of our Monetary Authority. Apart from the emergence of this Bill which is now before this Legislature, Mr. Chalmers' assistance will also encompass the logistics of advising on the step-by-step implementation of the administrative arrangements necessary for ensuring the smooth integration of the Currency Board and the FSSD into the single administrative structure of the Authority; thus, avoiding any disruption in the services that these two organisations are required to render to the financial and all other sectors of our community.

In a review of the points as set out in the Memorandum of Objects and Reasons, the following can be deduced or observed: (i) the Authority will be a body corporate with shares wholly-owned by the Government. This is addressed in Clauses 3 and 5. (ii) It will be managed by a five-man Board of Directors, of whom only one (the Managing Director) will be a full-time Executive. This is set out in clause 9.

To expand on this point, I would like to state that, initially it is expected that most, if not all, the staff of the FSSD and the Currency Board (26 in total) will transition into the Authority; however, additional recruitment will bring the number up to about 40 within the first year.

(iii) While the establishment of the Authority is a very timely and important step forward, Government is keenly aware of the need to move cautiously to avoid any risk of undermining the stability of our current structures. Consequently, while provisions relating to the currency remain substantially unchanged from those in the Currency Law which will be repealed, provisions have been introduced in the Bill to isolate the currency reserves from any risks that might arise from the regulatory function of the Monetary Authority, and to strengthen even further the requirement for the reserves to be held mostly in the form of external assets.

At this point I would like to thank Honourable Truman Bodden, the Leader of Government Business, for insisting on this provision. At the end of the day everyone is quite happy with it, and it is now the general feeling that regardless of what is done (and I am hoping that what is done will continue to underscore the excellence in service and level of supervision provided up to this time since the commencement of our regulatory regime for ensuring the management of our financial industry), will ensure that the CI dollar will always be protected. This is addressed in Clause 28.

(iv) In order to ensure the optimum efficiency in the management of the Authority, Executive Council will have a duty to appoint suitably qualified persons as Members of the Board, and will also have ultimate responsibility for approving the Authority's annual capital and recurrent expenditure estimates. Moreover, the Bill provides for a specific formula in relation to the distribution of the Authority's profits, which ensures that the currency reserves are the prime beneficiary.

In the budget of the Authority being submitted to Executive Council the question was put as to whether this would impair the independence of the Authority. This will not be the case because this will be addressed in the re-write of the Public Finance and Audit Law. There is a general view that there should be encompassing legislation to ensure that there is consistency in the revenues earned by the various Statutory Authorities, the application and functions undertaken should be with the approval of central government. So the independence will not be impaired, but will be underscored. I am sure that the other Authorities will be happy with this arrangement as well.

(v) With respect to the regulation of the financial industry, the Authority will continue to develop the existing role of the FSSD, with Executive Council retaining the ultimate responsibility for licensing, enforcement action and revocation of licences.

(vi) Finally, the establishment of the Authority will provide an appropriate organisation to which skilled, professional staff can be attracted and retained, and in which a long-term career structure can be developed for

them in respect of financial services regulation, currency issue and associated reserves management.

Madam Speaker, I commend this Bill to Members of this Honourable House.

The Speaker: The question is that the Monetary Authority Bill, 1996, be given a second reading. The motion is open for debate.

If there is no debate, does the Honourable Third Official Member have anything further to say?

Hon. George A. McCarthy: Just to thank Honourable Members for their support.

The Speaker: The question is that the Monetary Bill, 1996, be given a second reading. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given a second reading.

AGREED. THE MONETARY AUTHORITY BILL, 1996, GIVEN A SECOND READING.

The Speaker: Second Readings. (Pause)

TOURISM ATTRACTION BOARD BILL, 1996

Clerk: The Tourism Attraction Board Bill, 1996.

The Speaker: The Honourable Minister for Tourism, Aviation and Commerce.

Hon. Thomas C. Jefferson: I beg to move a Bill entitled, A Bill for a Law to Establish the Tourism Attraction Board of the Cayman Islands and to vest property in the Board for all purposes incidental thereto, and connected therewith be give a second reading.

This Bill will establish a Tourism Attraction Board and transfer the ownership of Pedro Castle to the Board from the Government. In addition to protecting and interpreting the country's heritage and cultural history, this facility is intended to diversify the tourism product and address tourism sector issues relating to the market's expectation for additional things to do while in Cayman.

The benefits of this project for the country are far-reaching and profound. Touching as they do on cultural development, economic diversification and sustainable development process, Pedro Castle, the country's premier heritage source, will be protected and the Government will not be required to fund it into perpetuity. It will be a source of pride for Caymanians and a venue for encouraging children and young people's appreciation of the country's historic roots. As such, it will serve to enrich the cultural base of the country and prove a legacy asset.

The project is designed to meet the social, cultural and economic objectives of this country. It will also serve

as an example of sustainable development. Economic benefits will also accrue to the eastern district of Grand Cayman.

Clause 1 provides the short title to the Bill and Clause 2 is the interpretation clause or definition clause. Clause 3 establishes the Board as an independent corporation. It includes provisions relating to the membership and officers, the execution of documents and other constitutional issues, and provides power for the Board to regulate their own proceedings.

Clauses 4, 5 and 6 require Board members to declare any pecuniary interest that they may have in any matter under consideration at Board or committee meetings, or to withdraw from the meeting while that matter is being considered. Non-compliance will be a criminal offence. Arrangements may be made in the event of business being impeded by an excessive number of declarations of interest.

Clause 7 defines the functions of the Board as the general and financial management of Pedro Castle and any other sites that may be transferred to it for heritage purposes, and makes ancillary provisions.

Clause 8 limits the expenditure of the Board to its authorised functions and makes other formal provisions with regard to financial matters.

Clause 9 provides that the accounts of the Board shall be maintained in accordance with the standards of the International Accounting Standards Committee. The accounts must be submitted to the Auditor General within 3 months of the end of each financial year and must be audited annually by the Auditor General. After each audit the Auditor General shall prepare a report thereon within 6 months of the end of the financial year to which the audit relates.

Clause 10 requires the Board to prepare an annual report for the Executive Council and that, together with the Auditor-General's report, will have to be laid on the table of the Legislative Assembly and gazetted.

Clause 11 contains the arrangements for the employment of staff and their pension fund.

Clause 12 vests Pedro Castle in the Board together with its ancillary rights and liabilities, and with the Government-owned equipment and other property currently being used in connection with the management and restoration of Pedro Castle.

Clause 13 provides the Board and its members with immunity from civil action arising from the discharge of their functions unless done in bad faith.

The Schedule defines in legal terms the land to be transferred from the Government to the Board.

The estimated capital cost of the project is CI\$6.4m and the Government has submitted a request for a loan (and we have that approval) from the Caribbean Development Bank (CDB). We made reference to that this morning, we gave details about it. I think the House should be well conversant with the arrangements made there.

It is also expected that it will be a self-financing project and that the latest estimate indicates that for the

years 1997 to 2002, a net surplus in the region of something like \$4.1 million will be accrued in this project.

The world of international travel is taking a different trend. It is seeking to have an educational and cultural experience in addition to soaking up a bit of sun. We have to provide such facilities in the Cayman Islands in order to maintain our market share of that world travel number. In addition, our objective in bringing visitors to our shores is to increase revenue through the amount of money they spend in this country. In order to accomplish that we need to have more facilities which will attract visitors to spend money at these different heritage or other attractions in the Cayman Islands.

On Tuesday we sank a Russian Destroyer, the ship we named *The MV Capt. Keith Tibbetts*. That is another attraction to the Cayman Islands, specifically Cayman Brac. While our objective may have been to draw people from different parts of the world, we are beginning to already see a number of people within Grand Cayman moving to Cayman Brac to dive this site. It is an indication of what is to come from the international world.

On Friday afternoon, we had the largest photographic organisation in the world present taking pictures of that event - Sigma is the name. We had John-Michael Cousteau doing a documentary. We had *skin diver* Magazine represented; *Scuba Time* represented, as well as many other individuals from the United Kingdom and Europe. Lawson Wood, whom I also saw signing his book this morning at Hobbies and Books Store was also present. I have not gone through all of them.

I went into that detail to give an example of the reach of this one attraction that we have placed in Cayman Brac within the last week and the reach of those journalists and media representatives to the rest of the world sending the message that it is the only Russian Destroyer sunk in the western hemisphere available for diving. It is the only one you can snorkel on, so you do not actually need to be a scuba diver.

It is the direction that this country needs to move in, to develop more attractions. We have the largest repeat business in the Caribbean, over 40% of our visitors have visited Cayman at least once, some as many as 28 times. So we need to develop more attractions in order to maintain our repeat business as well as to attract people from other parts of the world who are now moving to heritage tourism and that is one of the reasons we have moved forward with the Pedro Castle restoration and the upgrading of the Botanic park.

This Bill really sets up the machinery of managing Pedro Castle or any other site that may be put under the auspices of this Law. I think it is high time that the eastern districts got some additional visitor traffic to that part of the island.

I recommend the Bill to all Members.

The Speaker: The question is that a Bill entitled The Tourist Attraction Board Bill, 1996, be given a second reading. The motion is open for debate.

If there is no debate, would the Honourable Minister wish to say something?

Hon. Thomas C. Jefferson: I only say thanks to the Members for their unanimous support.

The Speaker: The House will now go into Committee to consider the three Bills.

HOUSE IN COMMITTEE AT 3.50 PM

COMMITTEE ON BILLS

PROCEEDS OF CRIMINAL CONDUCT BILL, 1996

The Chairman: Please be seated. The House is now in Committee to consider the three Bills.

Hon. Thomas C. Jefferson: Madam Chairman, excuse me for interrupting you. Am I off-key, or should we have taken the vote?

The Chairman: On the Tourism Board, yes, we should have. I do apologise to you. I can do that from here.

The Speaker: The question is that the Tourist Attraction Board Bill be given a second reading.

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

AYES.

The Speaker: The Ayes have it.

AGREED. THE TOURISM ATTRACTION BOARD BILL, 1996, GIVEN A SECOND READING.

The Chairman: Thank you, Honourable Minister.

We are now dealing with the Proceeds of Criminal Conduct Bill, 1996. The Clerk will read Clauses 1-3.

Clerk: Clause 1. Short title.
Clause 2. General interpretation.
Clause 3. Definition of principal terms used.

The Chairman: The question is that clauses 1 through 3 do stand part of the Bill. I think there are some corrections.

The Honourable Second Official Member.

Hon. Richard H. Coles: Yes, Madam Chairman, there are a number of corrections. The first one is in Clause 2 of the Bill. Under the heading "Expression and Relevant Provisions". Following the expression "confiscation Order" it should read "5 (7) (a)". Opposite the word "defendant" it should read "5 (7) (d)". Opposite the words "offence to which in this law applies" in place of section 5(8)(c) it should read "5(7)(c)". Also opposite the words "drug trafficking offence in place of section 5(8)(b)" it should be "5(7)(b)". There are four amendments proposed to clause 2(2).

The Chairman: Members all have copies of the proposed amendments. So the question is that these amendments be made.

If there is no debate, I shall put the question that the amendments to clause 2 be made. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSE 2 AMENDED.

The Chairman: The question is that Clauses 1, 2, as amended, and 3 do stand part of the Bill. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSES 1, 2, AS AMENDED, AND 3 PASSED.

Clerk: Clause 4. Application of this part.
Clause 5. Confiscation orders.
Clause 6. Making of confiscation orders.
Clause 7. Postponed determinations.
Clause 8. Statements, etc., relevant to making confiscation orders.
Clause 9. Cases in which restraint orders and charging orders may be made.
Clause 10. Restraint orders.
Clause 11. Charging orders.
Clause 12. Realisation of property.
Clause 13. Application of proceeds of realisation and other sums.
Clause 14. Exercise of powers by the Grand Court or receiver.
Clause 15. Variation of confiscation orders.
Clause 16. Bankruptcy of defendant etc.
Clause 17. Winding up of company holding realisable property.
Clause 18. Receivers: supplementary provisions.
Clause 19. Compensation.

The Chairman: The question is that clauses 4 through 19 do stand part of the Bill.

If there is no debate I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSES 4 THROUGH 19 PASSED.

The Chairman: Clauses 20 through 24.

Clerk: Clause 20. Code of Practice and Reporting Authority.
 Clause 21. Assisting another to retain the benefit of criminal conduct.
 Clause 22. Acquisition, possession or use of property representing proceeds of criminal conduct.
 Clause 23. Concealing or transferring proceeds of criminal conduct.
 Clause 24. Tipping-off.

The Chairman: The question is that clauses 20 through 24 do stand part of the Bill.

Hon. Richard H. Coles: There are some amendments I would propose to these clauses. The first is in clause 21 (4) (b). That after the word "arrangement" in line one, the word "or" be removed and deleted.

In clause 22(7), that paragraph (c) be deleted. Clause 24(2)(a), the numbering (cross-referencing) is incorrect. In the third line where it says "22 or 23", those figures should be replaced with "21 or 22".

Just beyond that, clause 24 subsection (3)(a), again the cross-referencing is wrong where it says 21(5) and 22(10), it should say "21(3) and 22(5)".

Those are the only amendments to those clauses.

The Chairman: Members have had these amendments. I shall put the question that the amendments as proposed to clauses 21 to 24 be passed. The motion is open for debate.

Mr. D. Kurt Tibbetts: Madam Chairman, I am sorry. I am confused. I was just trying to assist the Clerk regarding a proposed amendment that the Attorney General was maybe supposed to contact her about. I am really not sure where we are at.

The Chairman: I think this was an amendment that you were hoping would be made. What section is that?

Mr. D. Kurt Tibbetts: It is under the schedule.

Hon. Richard H. Coles: I do not think we have reached there yet.

The Chairman: The question is that the amendments as proposed be made to clauses 21 through 24.

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

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSES 21, 22 AND 24 AMENDED.

The Chairman: The question is that Clauses 20 through 24 do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSES 20, 21, 22 and 24 AS AMENDED, PASSED.

Clerk: Clause 25. Application of procedure for enforcing fines.
 Clause 26. Powers of arrest.
 Clause 27. Order to make material available.
 Clause 28. Authority for search.

The Chairman: The question is that clauses 25 through 28 do stand part of the Bill.

If there is no debate, I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSES 25 THROUGH 28 PASSED.

Clerk: Clause 29. Enforcement of external confiscation orders and proceedings.
 Clause 30. Registration of external confiscation orders.
 Clause 31. Proof of orders and judgements of courts of a designated country.
 Clause 32. Evidence in relation to proceedings and orders in a designated country.
 Clause 33. Representation of government of a designated country.
 Clause 34. Satisfaction of confiscation order in a designated country.
 Clause 35. Currency conversion.
 Clause 36. Rules of court.

The Chairman: The question is that clauses 29 through 36 do stand part of the Bill.

The Honourable Second Official Member.

Hon. Richard H. Coles: There are some amendments to these clauses. The first one relates to Clause 33: That in the final line after the words "Section 30" the words "of the Law" be deleted. That further on in that same line where it says "of the Law" be replaced by "of this Law". Both of those amendments are in the same line.

Also, Clause 34 (1)(a), the reference to "section 4" be replaced by "section 5". It is a mis-cross-reference. Those are all of the amendments.

The Chairman: The question is that the amendments as stated to clauses 33 and 34 do stand part of the Bill.

If there is no debate I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSES 33 and 34 AMENDED.

The Chairman: The question is that the clauses as amended do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSES 29 THROUGH 36 PASSED.

Clerk: The Schedule. Modifications to the Law when applied to external confiscation orders and related proceedings.

The Chairman: The question is that the Schedule do form part of the Bill.

The Honourable Second Official Member.

Hon. Richard H. Coles: There are some amendments to the Schedule. The first one is what the Fourth Elected Member for George Town referred to. Perhaps I could trouble the Serjeant to get a copy of the proposal that the Member has. I do have a copy here, but I want to make sure that both have the same wording.

The Chairman: Is that the only copy available? Do you have other copies for circulation to Members?

Are you going to move the amendment, or is the Fourth Elected Member for George Town going to move it?

Hon. Richard H. Coles: I can move it. Would it be helpful if we went through the other amendments to the Schedule to save time?

The Chairman: Yes, please.

Hon. Richard H. Coles: The first amendment is to paragraph 3(4) of the Schedule. In the second line where it says "caught by this Law", it should say "caught by this Schedule". So it is to replace the word "Law" with "Schedule".

In paragraph 10(1) on the penultimate line, where the figures "(4) and (5)" appear, that they be replaced by "(3) and (4)".

Further on in paragraph 10(5), that "(4)" in the first line be replaced by "(3)". And in paragraph 10, the numbering of the subparagraphs needs to be changed. Subparagraphs "(4), (5) and (6)" need to be renumbered "(3), (4) and (5)" as there is no sub-paragraph (3).

In paragraph 12(1)(b), there are two amendments. In the first line the reference to paragraph "7(8)" should

be replaced by "6(8)". Further on in 12(1)(b), where it refers to paragraph "7 or 9" it should say "6 or 9".

We then move on to paragraph 13(1)(b) in the final line where it says under "paragraph 7 or 9", that should be replaced by "6 or 9".

Madam Chairman, I wonder if you would excuse me? While we are on this particular paragraph, I would just like to speak with the Legislative Council. *(pause)*

Madam Chairman, I do apologise, but there is another amendment to that same paragraph 13(1)(b). I give my apologies that it has not been included on the notice. It is another numbering error. Where in paragraph 13(1)(b), it refers to "by virtue of paragraph 7(8)" it should be replaced by "6(8)". It is another cross-reference that is wrong.

The final amendment is in paragraph 14(2), where in the third line the reference to paragraph "10(4)" should be replaced by "10(3)".

Perhaps we can now go back to paragraph 3(1)(b) and deal with that.

The Chairman: First of all I need to give approval for this amendment to be made without due notice. You may proceed.

Hon. Richard H. Coles: I hope Members now have copies of this proposed amendment. Perhaps it would be helpful if I read it out. Rather than talk about the individual alterations, I will read out the new paragraph 3(1)(b). I think that is the correct way to do it because it is set out slightly different as well.

It should now read:

"3(1)(b) references to conduct to which this schedule applies are references to conduct which - (i) constitutes an offence to which this Law applies or would constitute such an offence if it had occurred in the Islands other than drug trafficking offences and offences which relate directly or indirectly to the regulation, imposition, calculation or collection of taxes subject to (ii);

(ii) constitutes an offence to which this Law applies or would constitute such an offence had it occurred in the Islands and which involves -

l) wilfully or dishonestly obtaining or conspiring to obtain money, property or valuable securities from other persons by means of false or fraudulent pretences or statements, whether oral or written, or accounting documents regulating or affecting benefits available in connection with the laws and regulations relating to income or other taxes; and

ll) wilfully or dishonestly making or conspiring to make false statements, whether oral or written, to government tax authorities with respect to any tax matter arising from the unlawful proceeds of any criminal

offence triable on indictment, or wilfully or dishonestly failing to make a report or return to government tax authorities as required by law in respect of, or to pay the tax on, any such unlawful proceeds."

The paragraph would then continue and go on to subparagraph (c). I propose that that revised subparagraph (b) replaces the one in the Bill.

The Chairman: I shall put the question that the amendments be made to the Schedule, as indicated, and that the new proposal under 3(1)(b) as circulated to Members be approved.

If there is no debate, I shall put the question that these amendments do form part of the Schedule. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED: AMENDMENTS TO SCHEDULE PASSED.

The Chairman: The question is that the Schedule as amended do stand part of the Bill. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED: THE SCHEDULE AS AMENDED PASSED.

Clerk: A Bill for a Law to make new provision for the powers of criminal courts, including provisions for the recovery of the proceeds of certain serious criminal offences; and for connected purposes.

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

AYES.

The Chairman: The Ayes have it.

AGREED: THE TITLE PASSED.

MONETARY AUTHORITY BILL, 1996

The Chairman: We now proceed to The Monetary Authority Bill, 1996. The Clerk will read the clauses.

Clerk: Clause 1. Short title and commencement.
Clause 2. Interpretation.

The Chairman: The question is that Clauses 1 and 2 do stand part of the Bill. I think there is an amendment. The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: It is proposed that in Clause 2 under the definition of "board", "10" be deleted and substituted by "9".

The Chairman: The question is that the amendment be made to Clause 2. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED: AMENDMENT TO CLAUSE 2 PASSED.

The Chairman: I shall put the question that Clauses 1 and 2, as amended, do stand part of the Bill. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSES 1 AND 2, AS AMENDED, PASSED.

Clerk: Clause 3. Establishment of Authority.
Clause 4. Principal objects of Authority.
Clause 5. Authorised capital.
Clause 6. General Reserve.
Clause 7. Calculated profits.
Clause 8. Allocation of profits.
Clause 9. Board of directors.
Clause 10. Appointment of directors.
Clause 11. Appointment of managing director.
Clause 12. Disqualification of directors.
Clause 13. Meetings and decisions of the board.
Clause 14. Director's interest.
Clause 15. Pecuniary interests for the purposes of section 14.
Clause 16. Removal or exclusion of disability, etc.
Clause 17. Power to employ staff, etc.

The Chairman: The question is that Clauses 3 through 17 do stand part of the Bill.

The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: The following amendments are proposed: (i) that in Clause 9 (2)(b), "11 and 12" be deleted and substituted by "10 and 11";

(ii) that in Clause 10 sub-section (1), "9(3)(b)" be deleted and substituted by "9(2)(b)";

(iii) that in Clause 10 sub-section (3), "Paragraphs (b) and (c) of" be inserted before "2"; and

(iv) that in Clause 14 sub-section (1) "subject to the provisions of section 16" be deleted.

There is a further amendment which the Honourable Second Official Member will propose.

The Chairman: The Honourable Second Official Member.

Hon. Richard H. Coles: I do not think the amendment to Clause 10(3) which the Honourable Third Official Member just read out reads quite right. I think that the additional words "Paragraphs (b) and (c) of" should be inserted before the word "subsection", rather than before the figure (2). It would read, "Paragraphs (b) and (c) of subsection (2) shall not apply."

The Chairman: There is a further proposed amendment under Clause 10 (3) that the words "Paragraphs (b) and (c) of subsection (2) shall not apply to directors appointed managing director under section 11.". Are there any other amendments?

Hon. George A. McCarthy: That is all, Madam Chairman.

The Chairman: The question is that the amendments be made as set out by the Honourable Third Official Member and the Honourable Second Official Member.

If there is no debate I shall put the question. Those in favour of these amendments being made to these Clauses, please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSE 10 AMENDED.

The Chairman: The question is that Clauses 3 through 17 as amended do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSES 3 THROUGH 17 AS AMENDED PASSED.

Clerk: Clause 18. Unit of currency.
 Clause 19. Contracts, etc., to be made in currency.
 Clause 20. Sole right of currency issue.
 Clause 21. Obligation to deal in United States dollars.
 Clause 22. Provisions relating to issue of currency.
 Clause 23. Denominations and forms of currency.
 Clause 24. Legal tender.
 Clause 25. Calling-in of currency.
 Clause 26. Mutilated, etc., currency.
 Clause 27. Defacing, etc., of notes or coins.
 Clause 28. Currency Reserve.
 Clause 29. Relations with Government.

Clause 30. Relations with banks and other financial institutions.
 Clause 31. General powers.
 Clause 32. Prohibited activities.
 Clause 33. Financial year.
 Clause 34. Budget
 Clause 35. Audit.
 Clause 36. Publication of accounts and annual report.
 Clause 37. Immunity.
 Clause 38. Exemption.
 Clause 39. Regulations.
 Clause 40. Rules.
 Clause 41. Additional powers.
 Clause 42. Confidentiality.
 Clause 43. Amendments, transitional provisions, savings and repeals.

The Chairman: The question is that Clauses 18 through 43 do stand part of the Bill.

If there is no debate, I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSES 18 THROUGH 43 PASSED.

Clerk: Schedules.

The Chairman: The question is that the Schedules do stand part of the Bill. The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: I propose that (i) in the marginal note to the title of Schedule 1, "32(1)" be deleted and substituted by "30(1)";

(ii) that in the marginal note to the title of Part 1 of Schedule 2, "44(1)" be deleted and substituted by "43(1)";

(iii) that in the marginal note to the title of Part 2 of Schedule 2, "44(2)" be deleted and substituted by "44(3)"; and

(iv) that in the marginal note to the title of Part 3 of Schedule 2, "44(3)" be deleted and substituted by "43(3)".

The Chairman: The question is that the amendments as read by the Honourable Third Official Member to the Schedule stand part of the Bill. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED: AMENDMENTS PASSED.

The Chairman: The question is that the Schedules as amended do stand part of the Bill. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED: THE SCHEDULES AS AMENDED PASSED.

Clerk: A Bill for a Law to repeal and replace The Currency Law (1995 Revision); to establish the Cayman Islands Monetary Authority; to provide for the transfer to the authority of certain functions and assets of the Government and of the Cayman Islands Currency Board; and for incidental and connected purposes.

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

AYES.

The Chairman: The Ayes have it.

AGREED: THE TITLE PASSED.

THE TOURISM ATTRACTION BOARD BILL, 1996

The Chairman: The next Bill is the Tourism Attraction Board Bill, 1996. The Clerk will read the Clauses.

Clerk: Clause 1. Short title.
 Clause 2. Interpretation.
 Clause 3. Establishment of the Board.
 Clause 4. Member's interest.
 Clause 5. Pecuniary interests for the purposes of section 4.
 Clause 6. Removal or exclusion of disability, etc.
 Clause 7. Functions and powers of the Board.
 Clause 8. Finance.
 Clause 9. Audit.
 Clause 10. Publication of accounts and annual report.
 Clause 11. Power to employ staff.
 Clause 12. Vesting of Pedro Castle, etc.
 Clause 13. Immunity.

The Chairman: The question is that Clauses 1 through 13 do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSES 1 THROUGH 13 PASSED.

Clerk: The Schedule.

The Chairman: The question is that the Schedule do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED: SCHEDULE PASSED.

Clerk: A Bill for a Law to establish the Tourism Attraction Board of the Cayman Islands and to vest property in the Board and for all purposes incidental thereto and connected therewith.

The Chairman: The question is that the Title do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED: THE TITLE PASSED.

The Chairman: That concludes proceedings in Committee on three Bills. The question is that the Bills be Reported to the House. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it. The House will now resume.

AGREED. THAT THE BILLS BE REPORTED TO THE HOUSE.

HOUSE RESUMED AT 4.27 PM

REPORTS ON BILLS

The Speaker: Please be seated. Reports on Bills. The Honourable Second Official Member.

PROCEEDS OF CRIMINAL CONDUCT BILL, 1996

Hon. Richard H. Coles: I beg to report that a Bill entitled A Bill for a Law to make new provision for the powers of criminal courts, including provisions for the recovery of the proceeds of certain serious criminal offences; and for connected purposes was considered by a Committee of the whole House and passed with amendments.

The Speaker: The Bill is accordingly set down for Third Reading.

The Honourable Third Official Member responsible for Finance and Development.

MONETARY AUTHORITY BILL, 1996

Hon. George A. McCarthy: I beg to report that A Bill for a Law to repeal and replace The Currency Law (1995

Revision); to establish the Cayman Islands Monetary Authority; to provide for the transfer to the authority of certain functions and assets of the Government and of the Cayman Islands Currency Board; and for incidental and connected purposes was considered by a Committee of the whole House and passed with amendments.

The Speaker: The Bill is accordingly set down for Third Reading. The Honourable Minister for Tourism and Aviation and Commerce.

TOURISM ATTRACTION BOARD BILL, 1996

Hon. Thomas C. Jefferson: I beg to report that a Bill entitled A Bill for a Law to establish the Tourism Attraction Board of the Cayman Islands was considered by a Committee of the whole House and passed without amendment.

The Speaker: The Bill is accordingly set down for Third Reading.

Third Readings.

THIRD READINGS

PROCEEDS OF CRIMINAL CONDUCT BILL, 1996

Clerk: The Proceeds of Criminal Conduct Bill, 1996

The Speaker: The Honourable Second Official Member.

Hon. Richard H. Coles: I beg to move that a Bill entitled The Proceeds of Criminal Conduct Bill, 1996, be given a third reading and passed.

The Speaker: The question is that a Bill entitled, The Proceeds of Criminal Conduct Bill, 1996, be given a third reading and passed.

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

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given a third reading and passed.

AGREED. THE PROCEEDS OF CRIMINAL CONDUCT BILL, 1996, GIVEN A THIRD READING AND PASSED.

MONETARY AUTHORITY BILL, 1996

Clerk: The Monetary Authority Bill, 1996.

The Speaker: The Honourable Third Official Member responsible for Finance and Development.

Hon. George A. McCarthy: I beg to move that a Bill entitled The Monetary Authority Bill, 1996, be given a third reading and passed.

The Speaker: The question is that a Bill entitled, The Monetary Authority Bill, 1996, be given a third reading and passed.

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

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given a third reading and passed.

AGREED. THE MONETARY AUTHORITY BILL, 1996, GIVEN A THIRD READING AND PASSED.

The Speaker: It is now twenty-nine-and-a-half minutes past 4 o'clock. I shall ask for a motion for the adjournment.

The Honourable Minister for Education and Planning.

ADJOURNMENT

Hon. Truman M. Bodden: I move the adjournment of this Honourable House until Wednesday, September 25th at 10 o'clock.

May I just explain why?

The Speaker: Please continue, Honourable Minister.

Hon. Truman M. Bodden: What remains for the House at present are certain reports of Select Committees which are still to come, some of which have been on motions brought both by Opposition and non-Opposition Members, and some amendments to the Elections Bill that we are still waiting on which was originally put forward by the Second Elected Member for Cayman Brac and Little Cayman. We also have the Report of the Public Accounts Committee.

This adjournment is on behalf of business for both the Opposition and the Government. I appreciate that we have to finish by Friday, but I believe that we are not going to get this business in time for Monday because we do not have it now.

I am very pleased to say that with your kind help and in your capable hands we actually finished the business of the House at 4.30.

The Speaker: Thank you. The question is that the House do now adjourn until Wednesday morning, 25th September, 1996, at 10 o'clock. I shall put the question. Those in favour please say Aye... Those against No.

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned.

AT 4.32 PM THE HOUSE STOOD ADJOURNED UNTIL 10.00 AM WEDNESDAY, 25TH SEPTEMBER, 1996.

**EDITED
WEDNESDAY
25TH SEPTEMBER, 1996
10.19 AM**

The Speaker: I will ask the Honourable First Official Member to say prayers.

PRAYERS

Hon. James M. Ryan: Let us Pray.

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

Bless our Sovereign Lady Queen Elizabeth II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated.

Order. Proceedings are resumed. Administration of Oath of Affirmation to Mr. A. Joel Walton, JP, to be the Honourable Temporary Third Official Member.

Mr. Walton would you please come forward?

**ADMINISTRATION OF
OATHS OR AFFIRMATIONS**

(Oath of Affirmation Administered by the Clerk)

Mr. Joel A. Walton, JP

Mr. Joel A. Walton: I, Arthur Joel Walton, do solemnly and sincerely affirm and declare that I will be faithful and bear true allegiance to Her Majesty Queen Elizabeth II, Her heirs and successors according to law.

The Speaker: Please take your seat Honourable Member. On behalf of the House I welcome you.

Presentation of Papers and of Reports. Report of the Select Committee (of Elected Members) to Review the Elections Law (1995 Revision). The Honourable Second Official Member.

**PRESENTATION OF
PAPERS AND REPORTS**

REPORT OF THE SELECT COMMITTEE (OF ELECTED MEMBERS) TO REVIEW THE ELECTIONS LAW (1995 REVISION)

Hon. Richard H. Coles: Thank you, Madam Speaker. I beg to lay on the Table of this Honourable House the Report of the Select Committee (of Elected Members) to Review the Elections Law (1995 Revision).

The Speaker: So ordered.

Hon. Richard H. Coles: Madam Speaker, the Select Committee established to review the Elections Law (1995 Revision) was appointed by the Legislature on the 15th day of July, 1996, upon the passing of Private Member's Motion No. 4/96 (as amended).

The Motion was moved by the Second Elected Member for Cayman Brac and Little Cayman and seconded by the First Elected Member for Bodden Town, and amended to include that the Committee comprise the Elected Members of the Legislative Assembly and the Honourable Second Elected Member.

The Motion reads as follows:

"BE IT RESOLVED THAT this Honourable House appoints a Select Committee (of Elected Members and the Honourable Second Official Member) to consider amendments to the Elections Law (1995 Revision) as follows and that the Review be concluded before the dissolution of the House and that the recommendations contained in the Committee's report be put into effect for 1996 General Election:

- a) to provide that a permanent register of voters be created using the 1996 Voters' List as the initial document and thereafter persons' names to be automatically added upon reaching 18 years of age and persons' names to be deleted due to death or some other legal cause;
- b) to provide for Voter Registration Cards;
- c) to provide that any person otherwise eligible to vote and who will be 18 years of age on or before the

date of a General Election shall be registered as a voter;

- d) to provide that a Voters' List in each district in the possession of candidates and/or their agents inside or outside a Polling Station remains in the possession of such persons before, during and after the elections;
- e) to provide that the Law be clarified to specifically prohibit any form of advertising for any group of individual on the day of election through any media;
- f) to provide that Form 15 - Direction for the Guidance of Voters, be amended to allow a voter who after voting can place his ballot paper in the ballot box himself;
- g) to provide that the form Declaration by Amanuensis be amended in its title to read "Declaration by Person who assists a Voter"; and
- h) to provide for the Immigration Law, 1992 (Law 13 of 1992) to address the residency requirements of the Cayman Islands (Constitution) order (section 25(b)(v) and (vi))."

CHAIRMAN OF THE SELECT COMMITTEE

In accordance with the provision of Standing Order 69(2), the Honourable Speaker of the Legislative Assembly nominated myself to be the Chairman of the Select Committee.

WITNESSES

To assist the Select Committee in its deliberations the Supervisor of Elections was called to give evidence. The Supervisor attended, together with the Deputy Supervisor of Elections.

MEETINGS

The Committee held two meetings on Wednesday, 4th September, 1996 and Thursday, 5th September, 1996.

RECOMMENDATIONS

The Committee recommends that the following paragraph of this Motion (which I previously read) be brought into effect before the 1996 General Elections:

- (i) paragraph (d) as amended
That the Voters' List in each district be made available to candidates and their agents, inside or outside a Polling Station, and remain in their possession before, during and after the Elections.
- (ii) paragraph (e) as amended
That the Elections Law (1995 Revision) be clarified to specifically prohibit any form of advertising for any group or individual on the day of election through any print or electronic media.
- (iii) paragraph (g)

That the form "Declaration by Amanuensis" be amended in its title to read "Declaration by Person who assists a Voter".

The Committee also recommends that paragraphs (a) in amended form and (b) and (f) be brought into effect, but realises that it will not be possible to have these effected before the 1996 General Elections. Paragraphs (a), (b) and (f) recommend:

- (i) paragraph (a) as amended
That a permanent register of voters be created, using the 1996 Voters' List as the initial document and thereafter the names of persons otherwise eligible to vote be automatically added upon reaching 18 years of age and persons' names to be deleted due to death or some other legal disability.

This paragraph was accepted by a majority of the Members.
- (ii) paragraph (b)
That Voter Registration Cards be provided.
- (iii) paragraph (f)
That Form 15 - Direction for the Guidance of Voters, be amended to allow a voter, after voting, to place his ballot paper in the ballot box himself.

The Committee agreed not to recommend paragraphs (c) and (d) of the Motion. With regard to (c), the Law does not permit persons to be registered before attaining the age of 18 years. The matter is adequately dealt with under the amended paragraph (a) which provides for the addition to the register upon attaining the age of 18 years. In regard to paragraph (h) the Committee concurs that its mandate, that is, to recommend amendments to the Elections Law, does not permit it to make recommendations to amend the Immigration Law.

The Committee recommends that this Report be the Report of the Select Committee to the Legislative Assembly. Thank you, Madam Speaker.

The Speaker: Does the Second Official Member wish to move that the Report of the Select Committee be adopted?

Hon. Richard H. Coles: Madam Speaker, I do.

The Speaker: The question is that the recommendations of the Select Committee (of Elected Members) to Review the Elections Law (1995 Revision) be adopted.

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

AYES.

The Speaker: The Ayes have it. The Report is accord-

ingly adopted.

AGREED: RECOMMENDATIONS MADE BY THE SELECT COMMITTEE TO REVIEW THE ELECTIONS LAW (1995 REVISION) ADOPTED.

The Speaker: Report of the Select Committee on the Control of Local Businesses to be laid on the Table by the Honourable Minister responsible for Tourism, Aviation and Commerce. In his absence the Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

FINAL REPORT OF THE SELECT COMMITTEE (OF ELECTED MEMBERS) THE CONTROL OF LOCAL BUSINESSES

Hon. W. McKeeva Bush: Madam Speaker, the Select Committee established to review the Control of Local Businesses was appointed by the Legislative Assembly the 19th day of June, 1995, upon the passing of Private Member's Motion No. 4/95 (as amended).

The Motion as amended and moved by the Third Elected Member for West Bay, and seconded by the Fourth Elected Member for West Bay which reads:

"WHEREAS there are a number of Caymanians who own and depend upon local businesses for their livelihood:- that is water sports, real estate agencies, boutiques, contractors' licences;

AND WHEREAS it is becoming increasingly difficult for these Caymanians to earn a decent, honest living in these areas because of unfair competition from foreign-owned companies which are attempting to monopolise these different industries;

AND WHEREAS it is important to ensure that Caymanians continue to earn an honest living from their chosen areas of business to ensure the continuance of the social harmony that we enjoy in these islands, which is one of the key reasons for our financial success;

BE IT NOW THEREFORE RESOLVED that Government consider taking steps to ensure that new licences issued to industries as above are to Caymanians or to wholly owned Caymanians companies;

AND BE IT FURTHER RESOLVED THAT a Select Committee of all Elected Members be established to study other areas of local business, that the quorum be eight Members and that public input be sought."

CHAIRMAN OF THE COMMITTEE

Madam Speaker, in accordance with the provisions of Standing Order 69(2), the Honourable Speaker of the

Legislative Assembly appointed the Honourable Minister responsible for Tourism, Aviation and Commerce, to be the Chairman of the Committee.

MEETINGS

The Committee held ten meetings on the 17th July, 1995; 27th September, 1995; 19th October, 1995; 1st November, 1995; 27th November, 1995; 10th June, 1996; 17th July, 1996; 8th August, 1996; 4th September, 1996; and 9th September, 1996.

WITNESSES

In accordance with the Committee's mandate, input from members of the public was sought. The Committee received no written letters of representation, but took oral hearings on Thursday, 19th of October, and Wednesday, 1st November, 1995 and again on Wednesday, 17th of July, 1996 from the following persons and representatives of associations:

- 1) Mr. A. Steve McField, Attorney-at-Law
- 2) Mr. Clarence Brown and
Capt. John Brown of Media Imports;
- 3) Mr. Charles D. Brown of Gifts with a Difference;
- 4) Mr. John D. Jefferson, Sr.
Businessman/Preacher; and
- 5) Mr. Burns Ruty, Businessman.

The following businessmen as a group:

Mr. Derrington Miller, Mr. A. L. Thompson, Mr. Robert Wood, Mr. S.T. (Tommy) Bodden; and Mr. David Foster, Chairman/President of the Cayman Merchants' Association.

Cayman Contractors Association: Mr. S. T. (Tommy) Bodden, Mr. David Arch, Mr. James Powell and Mr. Dawson Whittaker.

Cayman Bus Operators Association: Mr. Errol Reid, Mr. David Miller, and Mr. Don McLaughlin.

Cayman National Water Sports' Association: Mr. Frank Ebanks, Capt. Eugene Ebanks, Mr. Attlee Evans, and Mr. Sterling Ebanks.

The Committee wishes to express thanks to all these persons and representatives of associations for appearing before it and for expressing their concerns in regard to the operation of businesses within the islands, particularly that of Grand Cayman.

RECOMMENDATIONS

Perhaps the most commonly shared views expressed by the majority of witnesses is that Caymanian merchants and businesses are operating at an ever increasing disadvantage, in light of the rapid growth of development and foreign control and influence in the islands; that there is not sufficient control over, nor long-term solution, to the saturated local markets, to foreign fronting of local businesses and false advertising of work permits; that Government needs to create incentives to

encourage young local entrepreneurs; and that a resourceful public relations enterprise between Government and the private sector be established.

In regards to specific proposal and concerns by witnesses: (a) that a Trade and Business Licensing Board, separate to that of the Immigration Board, be established; (b) that a moratorium be placed on the various industries/markets; (c) that travelling salesmen and other businesses, not licensed, entering the market be reviewed; and (d) that the number of new churches being established within the islands be looked at. The Committee recommends:

- (i) That a Trade and Business Licensing Board be established and that its members include the Chief Immigration Officer, or his designate;
- (ii) That Government undertake a study to collect data to determine the numbers involved in all retail trade and industries and thereafter a decision be made as how best to resolve the expressed unsatisfactory circumstances;
- (iii) That travelling salesmen be required to hold work permits, paid and issued in advance, prior to their travel to the islands; that a work permit shall specify the enterprise(s) with which they may do business and they shall be restricted to only those names listed therein; that they not be allowed to sell directly to the public that the Immigration Department enforce the restrictions; and that a penalty be imposed for any infringement of a travelling salesman's work permit; and
- (iv) That the concern in regard to the number of new churches be referred to the Ministers' Association for action.

Finally, the Committee wishes to note that His Excellency the Governor has appointed an Assessor to enquire into and make a full report and recommendations concerning all tourism related transportation in the Cayman Islands, including North Sound water sports operators as they are affected by tourism related transport. The concerns expressed to the Committee by the water sports' and transport operations would be a topic of that enquiry.

The Select Committee agrees that this Report be the Second and Final Report of the Select Committee to this Honourable House. I move that these recommendations be adopted and accepted under Standing Order 72(5).

The Speaker: The question is that the recommendations of the Select Committee on the Control of Local Businesses be adopted.

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

AYES.

The Speaker: The Ayes have it. The Committee's report and recommendations are accordingly adopted.

AGREED. RECOMMENDATIONS IN THE REPORT OF THE SELECT COMMITTEE ON THE CONTROL OF LOCAL BUSINESSES ADOPTED.

Mr. John D. Jefferson, Jr: Madam Speaker, may I ask few question of the Honourable Minister, under Standing Order 32?

The Speaker: That should have come before I put the question, Honourable Member. This is not a statement by a Member or a Minister.

APOLOGIES

The Speaker: Before I proceed with business, I wish to inform the House that apologies for absence have been received from the Honourable Third Official Member as well as the Honourable Minister for Tourism, Aviation and Trade, during the remaining of this meeting.

Questions to Honourable Members/Ministers. Question No. 172 is standing in the name of the Third Elected Member for Bodden Town.

QUESTIONS TO HONOURABLE MEMBERS/MINISTERS

QUESTION NO. 172

No. 172: Miss Heather D. Bodden asked the Honourable Minister for Education and Planning to compare the financial position of Cayman Airways Limit during the leasing of the 737-400s to its financial position during the leasing of the 737-200s and subsequent purchase of a leased 737-200.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, the answer: In 1989, Cayman Airways previous management, with the approval of the last Government and upon the accounting advice of the Honourable Linford Pierson, decided to dispose of its interest in two B727 aircraft. This transaction generated a profit of over US\$12 million and the release to Government of over US\$5 million. The aircraft were replaced by two B737-400 which were leased for 15 years. The cost to Cayman Airways under the lease contract would have been US\$11 million. Not surprisingly, the Airline was unable to meet its obligations and very soon defaulted. This was after taking delivery of the first B737-400 and before accepting the second. Again, not surprisingly, the lessor (in this case GPA), resorted to legal action in the United Kingdom

courts and won its case against Cayman Airways. The cost to the Airline was approximately \$6.7 million which, true to form, it was unable to pay. The US\$12 million profit from the B727 was long spent, much of it on the launch of the ill-fated New York/Baltimore route. So Cayman Airways found itself operating an aircraft it could not afford, on a route that lost close to \$4 million annually. But getting out of the GPA contract at a cost of \$6.7 million was not the end of the B737-400 problem.

For some extraordinary and inexplicable reason, whilst Cayman Airways was disposing of these aircraft at horrendous cost, its management actually signed another lease, this time with ILFC, for an identical B737-400 aircraft at a rent higher even than the GPA aircraft. This lease created a contingent liability of \$45.5 million. Almost immediately Cayman Airways defaulted on its lease payments to ILFC, and the whole nightmare began over again.

It soon emerged that, in spite of being obliged to pay GPA \$6.7 million to take back their two aircraft, we had not seen the end of them. We were horrified to learn that part of the agreement with GPA obliged Cayman Airways to lease yet again the two 737-400s for a three year period beginning in February 1994. This created a further contingent liability of almost \$21 million. This meant that Cayman Airways management, having demonstrated to all and sundry (and in the process dragged the good name of the Cayman Islands through the Courts abroad) that it could not afford two B737-400s, had now contrived a situation in which it was contracted to three B737-400s with total contingent liabilities of \$60.8 million.

So in comparison the financial position of our National Airline during the B737-400 era and the present time, we should fully understand the horrible mess this Government found in November, 1992. As you are well aware, I acted decisively in December 1992, by appointing a new Managing Director. The Chairman and Board remains the same.

We quickly got to work. The obligation to take the GPA aircraft back was resolved at a cost of \$1.3 million. That took care of the \$21 million contingent liability.

ILFC was persuaded to accept their 400 with no penalty to Cayman Airways. In fact, we got a rent reduction over the last six months of the lease which saved the Airline just under \$1 million, and we negotiated the return of \$.5 million of a security deposit. That took care of the contingent liability of \$60.8 million.

Finally, we were successful in selling back an engine to the manufacturers which CAL got in 1989. The engine, a spare for the 400s had been increased, by finance and usage charges to \$5.5 million. The manner in which we negotiated out of this saved Cayman Airways \$2 million. Of course, it was not only the engine and leasing companies who were owed money. In December 1992, there were other debts of \$26.5 million.

Compare that horror story with where Cayman Airways is now. The Airline's good name has been restored in the industry. It has two B737-200 aircraft, one of which

is owned by a subsidiary company set up for the purpose by this Government. The aircraft has \$4 million debt remaining and is probably worth close to \$7 million with the improvements CAL has made. The monthly cost to the airline is one-third the B737-400 cost and we own the aircraft. The second 200 which is on lease has been valued at \$25,000 per month more than we are paying. The net effect is that we have absolutely zero contingent liability on the two aircraft. Compare that with the \$111.6 million which existed under the previous Government.

All of our creditors are paid on a current basis. The Airline made a profit (after subsidy) in 1994, of US\$1,568,473 and taking 1994, 1995, and 1996 together, and the profit in Cayman Aviation Leasing Limited shows a profit over the two and a half years of US\$2,724,914.

CAL's loyal staff have received, in some cases, three pay increases since 1993, having gone five years previously without any pay increases.

I cannot let this occasion pass without taking the opportunity to thank the hard working staff of our National Airline for all their efforts in helping to turn Cayman Airways around. Nor should we forget the work of the present Board under the chairmanship of Mr. Leonard Ebanks. This Board gives freely of its time and expertise to Cayman Airways, and we all owe them a debt of gratitude.

I believe that my 27 years of experience as a lawyer, 21 years of experience in banking and as a bank director (along with God's help, and the Board and Ministry staff) has given me the ability to guide CAL back to a stable and good financial position.

Finally, let me say that our National Airline must not be taken for granted. It needs constant attention by skilled experts. Before I spend the public's money, I always ask myself, if this were my money would I spend it? I believe in accountability to the public; I believe I must be very careful when dealing with the public's money to make sure that the public gets the most for each dollar spent.

My experience has taught me to be careful and cautious. CAL's survival depends heavily on conservative and cautious handling of its finances. In the wrong hands it could swiftly regress to the "bad old days."

SUPPLEMENTARIES

The Speaker: The Third Elected Member for Bodden Town.

Miss Heather D. Bodden: Madam Speaker, in reference to Cayman Airways' loyal staff, could the Honourable Minister say how many Caymanians are employed by Cayman Airways?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, approximately 250 staff are employed making us probably the third largest private employer in the Cayman Islands.

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: Thank you, Madam Speaker. Could the Honourable Minister say if, in light of the fact that we have a plane that we are going to purchase (and he mentioned a loan balance of \$4 million with a value of \$7 million), there are plans to purchase another aircraft?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Yes. As the Honourable Member knows (and he is a good accountant) it makes very good sense to purchase as we are now doing. We are looking for another aircraft and when that happens I will come back to this Honourable House for approval in Finance Committee before committing on such an expense.

But I will be able to assure this House that it has been fully checked and that what we are doing is at least to the best of our ability, will generate revenue and a profit, rather than the horrendous losses, as I said at one stage a liability of some \$111.6 million under some of the earlier leases.

The Speaker: The next question is No. 173, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 173

No. 173: Mr. D. Kurt Tibbetts asked the Honourable Minister for Education and Planning if there is an existing training programme for maintenance personnel at Cayman Airways Limited.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Cayman Airways' first priority has always been and continues to be safety. We will not take any action, or fail to take any action which will compromise safety. Our Maintenance and Engineering Department is very important to the Airline's operation and is required by local and overseas aviation regulations to provide certain training to its personnel.

In Cayman Airways, Aircraft Maintenance Training is conducted at three levels, namely: Basic, Type and Specialised. The present policy is to conduct training necessary to fulfil the requirements of both the company as well as the Regulatory Authorities, for example, Civil Aviation Authority (CAA), United Kingdom Civil Aviation Authority (UKCAA), and the Federal Aviation Authority

(FAA). Training of Maintenance personnel is carried out in a manner consistent with attaining the highest standards of safety development of our local staff.

Basic Training: Basic training is presently provided on-the-job as well as through formalised classroom sessions. Training is provided for both FAA and Airframe and Power plant mechanics and non licensed mechanics. To meet Cayman Islands Civil Aviation Authority requirements, in August 1996, a total of 22 members of staff received training in CAA Regulations and 15 staff members (only two on work permit) received training to prepare for Cayman Islands CAA Licenses in the Airframe 2 and Jet Turbine Engines categories.

On September 9th, 1996 preparatory training of six weeks duration commenced for three individuals to obtain Cayman Islands Civil Aviation Authority Licenses in the Avionics category.

Basic training is conducted by the Brunel College of the United Kingdom. Presently, we are in the process of formalising an apprenticeship programme which combines on-the-job training and formal instruction for the CICAA Basic Qualification. Formal instruction shall be provided by a recognised institution or by suitably qualified individuals in-house.

Type Training: Type training will normally only be provided to suitably licensed personnel and is conducted to meet the numerical skill requirements of the company. Presently this is being conducted on a two yearly basis:- B737-200 airframe, power plant and avionics systems type courses were conducted in 1995 and will next be conducted in 1997. In 1995 a total of 11 staff members received type training.

Specialist Training: Since 1995, specialised training has been conducted or is planned to be conducted in the areas of Maintenance Planning and Control, Inventory Management, Managerial Skills, Engine Ground Run, Maintenance Reliability, Engine Trend Monitoring, Dangerous Goods Handling and Computer Applications, as well as coverage of the Mosquito Research and Control Unit Airframe and Engines. This form of training is normally conducted as required, to improve the effectiveness and efficiency of the operation.

Other Training: Recurrent training is also conducted in the areas of company procedures, aviation authority regulations, safety regulations, safety practices, engine ground running and taxi, including Class II medical.

Finally, I remind this Honourable House that the foregoing is merely the training given to our maintenance personnel. Other departments also receive technical or job specific training, customer service training, and starting in October, the Airline will embark upon a full scale management training programme to be conducted in Cayman by the International Air Transport Association (IATA). IATA will also conduct "Airline Customer Service" training for some 60 staff members in December.

In conclusion, Madam Speaker, I hope that this Honourable House and the people of these islands can feel confident that Cayman Airways has a rigorous and

extensive training programme for its maintenance personnel. This training is to ensure that the Airline operates to the highest safety standards of the Cayman Islands, United Kingdom, and United States of America, and also that our employees are given great opportunity to develop their individual career opportunities with Cayman Airways.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Based on the dates given, namely August 1996 and September 9th, 1996, for the rigorous training detailed in the answer, could the Honourable Minister say if all the maintenance personnel presently employed at Cayman Airways are properly trained for the positions they hold?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Yes, Madam Speaker.

The Speaker: The next question is No. 174, standing in the name of the Third Elected Member for West Bay.

QUESTION NO. 174

No. 174: Mr. John D. Jefferson, Jr asked the Honourable Minister for Education and Planning what the problems with the 1990 Education Plan were and what impact these had on education in the Cayman Islands.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: The main problems with the 1991 Education Plan (which was based on the 1990 Education Review by Mr. James Porter assisted by Dr. Desmond Broomes, the then Permanent Secretary for Education, Mr. Oswell Rankine, and local education department staff) were that it did not have widespread acceptance by teachers and the community; the plan was not implemented in a phased and structured way; and too many drastic changes were brought into effect too quickly, without the necessary machinery being in place to implement such sweeping and radical changes. To keep this question to a reasonable length, I have only taken six examples in detail.

The Government reception classes were abolished in all schools including the Lighthouse School, so that the classrooms could be used for the additional year of primary education. When they were abolished, there were not enough pre-schools to absorb the children, only three of the existing pre-schools were licensed, and no government sanctioned pre-schools curriculum was

in place to give guidance to the pre-school operators. Children with differing abilities entered primary schools and classes were very difficult to teach as some children had been to pre-school and were advanced while some children had never been to pre-school. The system of providing grants to Caymanian parents who could not afford to pay the pre-school fees was in place, but no guidance was provided as to how these grants should be awarded. The Ministry, and especially Mr. Oswell Rankine, created chaos which hurt 200 young children.

Since 1992, my Permanent Secretary, Mrs. Basdeo and I, along with the Education Council now have all pre-schools in the Cayman Islands licensed and registered, the pre-school operators have formed an association and with Government's assistance, a pre-school curriculum has been developed and is now being implemented. The administrative guidelines for the pre-school grants programme have been revised, and the programme has been widely publicised. In 1996, three times as many Caymanian pre-schoolers were receiving government grants as in 1992, when the system of grants was established.

Another example of changes being rushed through was that although the 1991 Plan called for the reorganisation of the Education Department as a pre-condition and first priority in order to support the plan, this had not begun therefore, staff was not in place to support the additional work which resulted from the changes.

Since I became Minister for Education, the Department was reorganised in 1993 to include two additional senior officers as well as additional support staff. The addition of a school inspectorate was three senior officers will also enhance the implementation of the Strategic Plan.

As another example, of the problems in the 1991 Plan, the Middle School was phased out, the final year at the George Hicks High School was split in two, half the students remained at the George Hicks School and half were advanced to the John Gray High School. An additional year was added to the John Gray High School, effectively raising the school leaving age by one year, but up until the new government took over in November 1992, no plans had been made, and no work done on the curriculum for this extra year. While hard to believe, in fact no decision had even been taken on whether the additional year should be in Year 10 or in Year 12. This was damaging to the school system.

The government decided to keep the middle school concept at the George Hicks High School, which then became a junior high school, and we added the additional year at Year 10 as a foundation year. A new curriculum was developed by the spring of 1993 for implementation later that year. The wisdom of this can be viewed in the 1996 CXC and IGCSE results, the results of the first graduating class to have the benefit of an additional foundation year. These results at the "O" level standard, are the best in the history of the school. Additionally, our government transferred all post-secondary education to the Community College, and the results of

the 1996 "A" level class are at the best results in the history of these examinations. These very good exam results confirm that my Government's decisions were right.

To conclude, a comparison of the 1991 Education Plan and the 1994 Strategic Plan will show that some of the 3 recommendations made by Mr. Porter, and the other consultants, with the exception of the ones detailed above and some others, were deemed to be valid. However, these and other recommendations which emerged from the 353 individuals who wrote the Strategic Plan are being introduced in a phased and structured manner over a five year period. This method of wide consultation of teachers and the larger community has ensured a five year Plan which is feasible, which has been realistically costed and which is now in its second year of implementation.

The Speaker: It is now past 11 o'clock. May I have a motion for the suspension of Standing Order to continue with questions?

The Member for North Side.

SUSPENSION OF STANDING ORDER 23(7) & (8)

Mrs. Edna M. Moyle: I so move, Madam Speaker.

The Speaker: The question is that Question Time be extended beyond the normal period of 11 o'clock in order that the remaining questions on the Order Paper be taken.

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

AYES.

The Speaker: The Ayes have it. Standing Order has accordingly been suspended.

AGREED: STANDING ORDERS 23(7) & (8) SUSPENDED.

SUPPLEMENTARIES

The Speaker: The Elected Member for North Side.

Mrs. Edna M. Moyle: Madam Speaker, would the Honourable Minister say what ill effects, if any, were caused by the removal of the reception classes, specifically regarding children needing to attend the Lighthouse School?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddan: Madam Speaker, the effect was very serious, because children who could have been getting the pre-school education did not get it. What we attempted to begin with was to bring them in

somewhat later, after five o'clock in the afternoon, which really was not much of a solution at the time.

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: Thank you, Madam Speaker. As a follow-up to the question asked by the Member for North Side, can the Honourable Minister say how many students of pre-school age, who required the service which was abolished at the Lighthouse School, were turned out, and whether the Government has plans to reinstate this service?

The Speaker: Honourable Member, that is not a part of the original question.

Mr. John D. Jefferson, Jr: Which part, Madam Speaker?

The Speaker: The part where you asked about the number of students. That is not part of the original question.

Mr. John D. Jefferson, Jr: Can the Honourable Minister say if there are plans to reinstate the reception class at the Lighthouse School?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddan: Madam Speaker, we have already taken steps, teachers have already been added to the home-based programme (which is now well underway); that programme will deal with children from 18 months upward. This has already eased the impact of the removal of the reception class. In the new Lighthouse School which will be custom built, will have full facilities for dealing with pre-schoolers and will have a full unit for the home-based programme which caters to younger than pre-school age.

The Speaker: The First Elected Member for Cayman Brac and Little Cayman.

Capt. Mabry S. Kirkconnell: Would the Honourable Minister confirm that the decision to allow the infant class to remain has proven very beneficial to the system?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddan: The wisdom of the residents of Cayman Brac and Little Cayman in rejecting the government's policy of abolishing pre-schools was the right decision. It has really benefited them and, in fact, their results in CXC (I know this is further on in age) were the best in the Caribbean for that year.

Based on the results of the good effects, we have now reintroduced it in North Side at the request and pushing of the lady Member for that district, and also in East End. We will be reintroducing these programmes in areas where we feel that the private pre-school do not sufficiently cover. I would also like to point out that the Honourable First Elected Member for Cayman Brac and Little Cayman was very instrumental in keeping and preserving the Cayman Brac pre-schools.

The Speaker: The next question is No. 175, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 175

No. 175: Mr. Roy Bodden asked the Honourable Minister for Education and Planning to provide details of the claims against Cayman Airways Limited in the United States with respect to passenger injury and breach of contract.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Madam Speaker, the answer: *Passenger Injury:* On occasion Cayman Airways Limited (CAL) will receive reports of passenger injury, normally occurring in the airport facilities en route to CAL's check-in or flight. At present there are no known outstanding legal claims made against CAL in the United States of America with respect to passenger injury.

Breach of Contract: There are no known outstanding legal claims made against CAL in the United States of America with respect to breach of contract.

SUPPLEMENTARY

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker. Would the Honourable Minister state whether there were any settlements made, since this question emanated from the Audited Report of Cayman Airways'?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: The only breach of contract (and I will state this now) that I know of in the past was one in 1990 on two 737-400 lease contracts under which Cayman Airways had a liability of approximately \$111.6 million. That went to court in the United Kingdom and the judgment awarded was against Cayman Airways. A settlement of \$6.5 million arose during my time and we got out of the liability of \$111.6 million by paying \$6.5 million.

At the time there was also a breach of contract for a 737-400 which was a \$56 million liability in the United States. The plane was (as far as I can remember) seized

or at least grounded. That, too, resulted in a settlement which I negotiated. That was done, I would say, within three weeks with our coming forward to Government in late November, early December (the contracts for those three planes, as we know, were entered back in 1990 and 1991); that had to be done because there was breach of contracts prior to 1992 by not paying leases on two 737-300s which we ultimately kept flying for another two years. ILFC under that breach of contract had issued a notice that they were going to seize the two planes in December of 1992 unless the payments were made.

Other areas of breach of contract prior to 1992, were when fuel was not paid. In fact, very few creditors were paid by Cayman Airways because they owed some \$36 million in liability. The settlement in the United Kingdom Court on the 737-400s: The last government had somewhat, I would say imprudently, entered into a further contract to take the 737-400s in 1994 for a further three years at \$20-odd million. To be very frank, I was horrified on that issue and I negotiated to get Cayman Airways out of that breach of contract and I took the initiative to break the 1992 contract, because Cayman Airways was basically bankrupt.

As the Honourable Member knows, there were extensive breaches of contracts before 1992. Having said all of that, I am happy to say that we are now current in paying our debts (they are normally paid within 30 days) and the bank's overdraft facilities and loans are being reduced. I should also add that prior to 1992 we were in breach of contract with the bank because cheques were bouncing all over the place. Thank you.

The Speaker: The next question is No. 176, standing in the name of the Second Elected Member for Cayman Brac and Little Cayman.

QUESTION NO. 176

No. 176: Mr. Gilbert A. McLean asked the Honourable Member for Internal and External Affairs what is the total number of work permits in effect in Cayman Brac and Little Cayman with a breakdown by category, nationality and location in the islands.

The Speaker: The Honourable Member for Internal and External Affairs.

Hon. James M. Ryan: The total number of work permits in effect in Cayman Brac and Little Cayman as of 11th September, 1996, is 247. Additionally, there are 42 on temporaries and 3 on six-month work permits.

The breakdown by category, nationality and location in the islands is listed in the attached schedule.

Category	#	Nationality	Location
Activities Coordinator	1	USA	Cayman Brac
Artist	1	USA	Cayman Brac
Assistant Chef	1	UK	Little Cayman

Auditor	1	USA	Cayman Brac
Auto Body Repairmen/Mechanics	2	Jamaica	Cayman Brac
Baker's Helper	1	Costa Rica	Cayman Brac
Bartenders	2 7	UK, Honduras, Jamaica & USA	Cayman Brac & Little Cayman
Bookkeeper	1	USA	Cayman Brac
Chef	1	Jamaica	Cayman Brac
Clerks	1 2	Guyana & Jamaica	Cayman Brac
Concierge	1	UK	Little Cayman
Construction Foreman/Carpenters	6	USA	Cayman Brac
Cooks	4	Jamaica	Little Cayman
Cosmetologist	1	Jamaica	Cayman Brac
Dive Instructor/Dive Masters	6 2 0	Canada, UK, USA, S. Africa, & New Zealand	Cayman Brac & Little Cayman
Domestics	4 9 2 0	Guyana, Honduras, Jamaica & USA	Cayman Brac & Little Cayman
Electrical Technician	1	Jamaica	Cayman Brac
Electronics Technician	1	Jamaica	Cayman Brac
Engineer	1	UK	Cayman Brac
Farmer/Gardeners/Handymen	1 3 3	Honduras, Jamaica & Philippines	Cayman Brac & Little Cayman
Food & Beverage Director/Supervisor	2	Canada & USA	Cayman Brac & Little Cayman
Front Desk Clerks/Salespersons	3	UK & USA	Little Cayman
Gourmet Chef	1	Canada	Little Cayman
Heavy Equipment Operators Maintenance	1	Jamaica	Cayman Brac
Hotel General Managers	2	Canada & USA	Cayman Brac
Category	#	Nationality	Location
Housekeepers/Laundresses	2	Guyana & Nicaragua	Cayman Brac
Instructor/Assistant Mechanic	1	UK	Little Cayman
Journeyman Carpenter	1	Jamaica	Cayman Brac
Kitchen Helpers	6	Jamaica	Cayman Brac
Labourers	4	Columbia & Jamaica	Cayman Brac
Maintenance Men	1 1	Jamaica & USA	Cayman Brac & Little Cayman
Masons/Carpenters	3	Jamaica	Cayman Brac
Ministers Of Religion/Youth Worker	8	USA	Cayman Brac
Nurses Aide	1	Jamaica	Cayman Brac
Real Estate Sales/Office Manger	1	USA	Cayman Brac
Seamstress	1	USA	Cayman Brac
Serviceman Technician	1	Guyana	Cayman Brac
Sous Chef/Skilled Cook	1	USA	Little Cayman
Technician	1	USA	Cayman Brac
Time Share Sales Person	1	UK	Cayman Brac
Waitresses	6 4	Canada, UK, Guyana, Hon-	Cayman Brac & Little Cayman

		duras, Jamaica, & USA	
Water Sports Manager	1	USA	Little Cayman

SUPPLEMENTARIES

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Would the Honourable Member say why there is such a large number of work permits in the islands when there are known cases of unemployment within some of the categories shown in the list?

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Madam Speaker, in the case of one year permits these applications all come to the Immigration Board and would be dealt with in the same way as applications here in Grand Cayman. I can only assume that the Board is satisfied that there are no suitable applicants (locally) in Cayman Brac for the jobs.

In the case of the temporary work permits, these are handled in Grand Cayman by the Chief Immigration Officer and in Cayman Brac it is delegated to the District Commissioner with the Senior Immigration Officer involved.

QUESTION NO. 177

The Speaker: The next question is No. 177, standing in the name of the First Elected Member for Bodden Town.

No. 177: Mr. Roy Bodden asked the Honourable Minister for Agriculture, Environment, Communications and Works if Government has received any recent proposal from the Cayman Islands Angling Club regarding the development of public open space in the SafeHaven development.

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Government has received a proposal from the Cayman Islands Angling Club. The land requested is part of Block 18A, Parcel 25, which is situated on the southern side of the canal at SafeHaven. The land (whilst cleared) has a split zoning of low density/residential storm belt. The club wishes to lease the land on a peppercorn rent in order to erect a club house and ancillary facilities.

SUPPLEMENTARIES

The Speaker: The Third Elected Member for Bodden Town.

Miss Heather D. Bodden: Madam Speaker, can the Honourable Minister say if Government has received any other request from similar groups for the use of this property?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Madam Speaker, it is my understanding that another such group has also sent in a request.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Madam Speaker, can the Honourable Minister say if Government has taken any decision as to which group(s) will be successful in achieving a lease of this property?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Madam Speaker, the answer is no.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Would the Honourable Minister say if the matter is still under consideration, and when we may expect a decision?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Madam Speaker, the answer to the first part of the question is, yes, it is still under review. As to when a decision will be taken by Government, that I cannot answer.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Madam Speaker, assuming that a decision is made to lease this property, what provision will be made to facilitate members of the public who may wish to use this area on subsequent occasions?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Madam Speaker, all of this will have to be taken into consideration when the negotiations are taking place.

QUESTION NO. 178

The Speaker: The next question is No. 178, standing in the name of the Second Elected Member for George Town.

No. 178: Dr. Stephenson A. Tomlinson asked the Honourable Minister for Agriculture, Environment, Communications and Works what roads are scheduled to be built and maintained in George Town in 1996.

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Madam Speaker, the answer:-
Maintenance: All public roads are maintained in the George Town district and all other districts. A list of roads that are maintained would include all public roads on the island.

Construction: For 1996, in the George Town district, capital spending is completed on 10 jobs and in progress or committed for construction on 23 projects. Another 15 projects are pending. These 48 projects are listed on the attached list entitled "1996 George Town district capital project" which are as follows:-

COMPLETED JOBS FOR 1996 - 10

- 1) Thompson Way hot mix overlay.
- 2) Bobby Thompson Road hot mix overlay.
- 3) Reconstruct South Sound Rd. by The Avenue - seal & chip.
- 4) Realign Middle School Dyke Rd. (Tent City Rd.).
- 5) Memorial Ave 2nd application.
- 6) Rebuild two roads across from Home Gas on Walkers Road.
- 7) Smith/Crewe Road junction extended left turn.
- 8) Reconstruct section of Rankine subdivision.
- 9) House removal and preliminary work at Eastern Ave/Nixon.

JOBS IN PROGRESS OR COMMITTED FOR CONSTRUCTION - 23 PROJECTS

- 1) Snug Harbour 2nd application.
- 2) Glass House car park & exit lane modification.
- 3) Sidewalk S. Church at Viking Gallery.
- 4) S. Sound Rd. (Walkers Rd to Avenue) reseal.
- 5) Diaz Lane extension and reseal.
- 6) Road off North Church St. - reseal.
- 7) Eden Road - reseal.
- 8) Edward Avenue - reseal.
- 9) Bernard Dr. - reseal.
- 10) Construct Bel Air Gardens Ph III.
- 11) Construct Joe Watler Rd. (off N. Church St.)
- 12) Construct Parsons Rd.
- 13) Tropical Gardens (2 roads) reseal.
- 14) Palm Dale Rd (section 1) reseal.
- 15) Rd. off Bodden Road reseal.
- 16) Construct road to Cardinal D Park (off Courts Rd).
- 17) Road off Washington Ave.
- 18) Windsor Park main entrance road.
- 19) Prospect area: Rd. off Marina Dr. 24E 117-287
- 20) Roads in Prospect Park 24E 374-346.
- 21) Crewe Rd. west from Tropical Gardens hot mix overlay.

- 22) Crewe Rd. east from North Sound Way hot mix overlay
 23) Harbour Drive (Fort to Shedden) hot mix overlay.
 24) South Church St. (to Memorial) hot mix overlay.

PROJECTS PLANNED BUT NOT STARTED AS YET - 15
 PROJECTS

- 1) Eastern Ave. hot mix overlay.
- 2) Nixon Rd. hot mix overlay.
- 3) Lynhurst Ave. (Smith to 3 way stop) hot mix overlay.
- 4) Walkers Rd. (Boilers Rd. to Hospital) hot mix overlay.
- 5) Smith (Templeton Pines to Bobby Thompson) hot mix overlay.
- 6) Construct Bowley Rise Ph I -chip & spray.
- 7) Construct Hawkins Dr. chip & spray
- 8) Construct Morton Rd. - chip & spray.
- 9) Construct Templeton Pine Lakes (3 roads).
- 10) Construct Prospect Park (2 roads).
- 11) Eastern Ave/Nixon signal.
- 12) Ligunea Gardens construction. *[I will add that the residents there have contributed to the cost of construction. This we are grateful for.]*
- 13) Smith Road reconstruction (4-way stop to Templeton).
- 14) Old North Sound Rd. hot mix

Madam Speaker, this is not the end of the list, as the three National Team Members have sent in several other requests since.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Thank you, Madam Speaker. Would the Honourable Minister tell us whether there was a Road Improvement/Maintenance policy in place for George Town when he took over the Ministry of Works?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Madam Speaker, I will have to say no, because it was the National Team Government that started preventative maintenance with the funds that were available to us; what we did with each Budget was to share the funds allocated in each district which included George Town.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Madam Speaker, would the Minister say what was the last major road improvement undertaken throughout the island?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Madam Speaker, I would say that the last major road works programme took place under the Unity Team Government which goes back to about 1984, thereafter very little road works was carried out anywhere in the islands.

The Speaker: That concludes Question Time for this morning. We now proceed to Government Business, Bills: Third Reading.

GOVERNMENT BUSINESS

BILLS

THIRD READING

TOURISM ATTRACTION BOARD BILL, 1996

Clerk: The Tourism Attraction Board Bill, 1996.

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Speaker, I beg to move the Third Reading of a Bill for a Law to Establish the Tourism Attraction Board of the Cayman Islands and to Vest Property in the Board and for all Purposes Incidental thereto and connected therewith.

The Speaker: The question is that a Bill entitled the Tourism Attraction Board Bill, 1996, be given a Third Reading and passed.

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

AYES.

The Speaker: The Ayes have it. The Bill has accordingly given a third reading and passed.

AGREED: THE TOURISM ATTRACTION BOARD BILL, 1996 READ A THIRD TIME AND PASSED.

The Speaker: That concludes the matters on the Order Paper for today.

Adjournment, the Honourable Minister for the Honourable Minister for Education and Planning.

ADJOURNMENT

Hon. Truman M. Bodden: Madam Speaker, I beg to move the adjournment of this Honourable House until 10 o'clock tomorrow morning.

The Speaker: The question is that the House do now adjourn until tomorrow morning at 10 o'clock.

I shall put the question. Those in favour please say

Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until Thursday morning, 26th September, 1996 at 10 o'clock.

**AT 11.30 AM THE HOUSE STOOD ADJOURNED UNTIL
10.00 AM THURSDAY, 26TH SEPTEMBER, 1996.**

**EDITED
THURSDAY
26TH SEPTEMBER, 1996
11.19 AM**

The Speaker: I will ask the First Elected Member for Bodden Town to say prayers.

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 II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

The Speaker: Please be seated.

Order. Proceedings are resumed. On behalf of everyone involved, I would like to apologise for the late start of today's sitting.

Presentation of Papers and Reports. Report of the Accountant General and Accounts of the Government of the Cayman Islands for the year ended 31st December, 1995. The Honourable Temporary Third Official Member.

**PRESENTATION OF
PAPERS AND REPORTS**

**REPORT OF THE ACCOUNTANT GENERAL AND
ACCOUNTS OF THE GOVERNMENT OF THE
CAYMAN ISLANDS FOR THE YEAR ENDED 31ST
DECEMBER, 1995**

Mr. Joel A. Walton: Thank you, Madam Speaker.

I beg to lay on the Table of this Honourable House the Report of the Accountant General and Accounts of the Government of the Cayman Islands for the year ended 31st December, 1995.

The Speaker: So ordered.

**REPORT OF THE AUDITOR GENERAL ON THE
FINANCIAL STATEMENTS OF THE GOVERNMENT OF
THE CAYMAN ISLANDS FOR THE YEAR ENDED 31ST
DECEMBER, 1995**

Mr. Joel A. Walton: Madam Speaker, I beg to lay on the Table of this Honourable House the Report of the Auditor General on the Financial Statement of the Government of the Cayman Islands for the year ended 31st December, 1995.

The Speaker: So ordered.

Government Minute on the Report of the Auditor General and the Audited Accounts of the Cayman Islands Government for the year ended 31st December, 1995.

The Honourable Temporary Third Official Member.

**GOVERNMENT MINUTE ON THE REPORT OF THE
AUDITOR GENERAL AND THE AUDITED ACCOUNTS
OF THE CAYMAN ISLANDS GOVERNMENT FOR THE
YEAR ENDED 31ST DECEMBER, 1995**

Mr. Joel A. Walton: Madam Speaker, I beg to lay on the Table of this Honourable House the Government Minute on the Auditor General's Report for the year 1995.

The Speaker: So ordered.

The Honourable Temporary Third Official Member can now speak to the Minute.

Mr. Joel A. Walton: Thank you, Madam Speaker.

The Minute is divided into two parts and deals with two areas the Government considers important and possibly controversial, and it wishes to respond at this point rather than delaying it and responding at a later date.

The first area that I will speak to is the section of the Auditor General's Report for 1995 which deals with the Department of Tourism. This audit was recognised by the Auditor General as covering the first year of a new Director taking office. It therefore recognises that prior to this Director effecting any changes it was prudent to observe, review and fully understand the various components of the Department. It might therefore be appreciated that the Auditor General has noted that the Department has re-

sponded positively to the weaknesses identified during the course of the audit, as well as the notation that the Department has initiated a number of significant changes as part of the ongoing aspect of its development. The new Director has found the audit process productive and helpful.

Dealing specifically with section 2.16 of the Auditor General's Report: The Government private sector approach to marketing has been in effect for some time. During 1995, that activity was significantly increased and specifically included the Sister Islands. The year 1995 also highlighted the importance of improving the Department's marketing tools by the upgrade of the Rate and Facts brochure. These changes permitted listed properties and other related businesses to have photography of their respective businesses included. This was accomplished with the financial support from the businesses involved.

Section 2.18: This section reflects the significant quantity of funds which have been spent overseas over the past five years. Over the period in question, media and paper costs have increased annually up to as much as 20 per cent. The increases experienced over the five year period in essence allowed the Department to maintain its purchasing power in a highly competitive environment, and therefore was considered justifiable. This is an important point to be made as the Department of Tourism is primarily a marketing entity by its very nature, situated outside of these islands. Given the ever increasing competitive arena internationally in which we find ourselves, this pattern will remain constant. It is this singular fact identified by the report which makes this Department of Government different in many respects from all of the others, and which finds it operating in a hybrid, private/public sector mode.

Section 2.19: The components of advertising collateral and overseas operations are large line entries which contain within them many components. This is largely different from most public sector line items which are more unitary in scope. Recognising this, the Department of Tourism will provide in 1997, an Annual Report which will cover the 1996 period and which will give a more detailed understanding of the various activities of the Department. This report will be in a format which, if considered appropriate, could be laid on the Table of the Legislative Assembly.

The area of contracts was taken under review early in 1995. Where it was found that appropriate documentation did not exist within the Grand Cayman office these were put in place. Further, work in that respect followed with the Legal Department giving advice on the management of same. Recently, approval was granted for the creation of a post of Assistant Director of Finance whose job description indicates specific responsibility for the management of the Department's contracts register.

Presently, copies of all contracts are now with the Accountant and Auditor Generals' offices respectively.

The Department reviewed its current management information system and has subsequently designed in

house various pieces of software to take account of critical information needed to run the Department. Where software could not be quickly introduced, a manual system was effected which would provide for a systematic management on programme/project costs as opposed to a line item basis.

Over the past several years, a number of pieces of proprietary research have been done, or research materials purchased, which have helped the Department to gain some indication of the effectiveness of its work. During 1995 the focus of the activity within the research area was towards establishing the necessary Cayman Islands fact base for the Department as well as collecting the relevant data which would allow it to conduct focus groups which are viewed as the most effective method by which to reliably measure the effectiveness of not only advertising campaigns, but of all marketing and promotions work done by the Department. This would naturally cover the area of advertising and would also cover the full spectrum of marketing activities carried out by the Department.

Work has been in progress for some time now towards developing objectives for the various markets. During the annual budget meetings of the Department, each Regional Manager and representational company are required to present a detailed marketing plan which outlines goals and objectives for the coming year. It is proposed that this activity will now be further supported by the completion of the focus groups slated to commence operation in early October 1996, as well as the development of the Positioning Statement for the Department which will be presented at the Annual Meeting of the Department in December 1996. These various activities will allow market-driven performance targets to be established for the various regional offices. These targets will be operational for 1997. While it is acknowledged that such targets were not operational at the time of the audit, it is to be acknowledged that given the high degree of success of the Cayman Islands tourism, both for these islands and also its standing within the region, the performance of the Department thus far has been exemplary. These new (and necessary) markets will support this most important pillar of our economy.

Section 2.20 Overall this section speaks to the lack of a number of controls in respect of the management of the services provided by the advertising agency in the United States. Indeed, the management of all accounts was reviewed and it was identified prior to this audit that the Department lacked a trained accountant to set up and manage the various financial systems necessary to operate the Department. Early action was taken to have such a post created. This post is currently in the process of being filled. Notwithstanding this action, a number of systems have been put in place with the advertising agency which will allow for closer monitoring of such activities.

Turning now to the matter of advance payments. The Government considers that in this area, given the nature of the advertising industry, it is necessary that these payments be allowed in order to facilitate the work

of the Department. In light of this view, discussions are currently ongoing with the Financial Secretary to come to a resolution on this area.

In addition, weekly monitoring is in place for all projects for which advance payments are made. Equally, a commitments system has been effected to monitor all estimates approved for the agency and the draw down of all such funds. Independent of the audit, the Department initiated an inventory of all marketing assets overseas and is currently seeking out appropriate technology to archive such materials.

Section 2.21: This section covers a number of components within it. The overall costs include the production of a sales film which is reflected in the costs of editing (US\$69,822), and music rights and production (US\$47,800). All other funds referred to were in respect of concept development, production and management of the two film shoots which were required.

The rationale for the initial film shoot was based on the need to: (1) produce a new sales film for the US market; (2) to update and broaden the film resource base of the Department such that the production of commercials and other marketing and promotional resources would be readily available; and (3) to respond to the need to develop a local media programme.

During the development of these activities, work was simultaneously being carried out in other markets to ascertain costs to develop sales film materials for those markets. It became clear that production costs in Europe would be prohibitive to do development work in multiple sites. Hence, it was decided to do the second shoot to meet the requirements of all the Department's international markets.

The results are that, for the first time the Department of Tourism has a sales film specifically designed for each of its markets, that is, North America, the United Kingdom, Italy, Germany, Spain and Japan. Particularly, of note is the Japanese market which was never able to use the US sales film due to it being in English. Over all, to date we have six sales films in all our markets, four TV commercials produced for overseas use, three commercials produced for the local market, and two promotional videos.

The new film footage acquired, in addition to the existing materials, position the Department to be able to respond to a number of created opportunities very quickly. Film shoots are not annual activities, but are a critical aspect of the background work done to ensure that appropriate resources are in place to carry out the work of the Department in a very competitive tourism environment. Costs for such activities are significant, and are really just providing the Department the ability to be able to produce marketing resources as necessary. The current level of footage now owned by the Department would not normally require updating for another few years.

The final outcome of these shoots has positioned the Department in each of its markets to showcase these Islands more effectively than ever before.

Section 2.22: This section covers the Public Relations Agency in the United States. Presently the Department is awaiting final approval from the Central Tenders Committee with respect to the latest tender for such services.

Section 2.23: During the first quarter of 1995 a review was carried out by the Department of Tourism with the help of the Manager of Computer Services of all the components of information systems management of the overseas sections of the departments. One area reviewed was the CIRS (Cayman Islands Reservation System). Close examination of the Auditor General's Report will show that the Auditor General used the Department's report to offer comment in Section 2.28 of that report (that report being the Auditor General's Report).

This report identified a number of weaknesses in the existing system. It was agreed that many of the issues identified would be addressed with the development of a marketing strategy. Such a strategy would address the types of hardware and software necessary to allow the provision of high quality services. Efforts were quickly initiated to identify suitable technology for an appropriate upgrade to the existing arrangements with the current mainframe computer provider. These efforts covered a range of options, one of which was referred to in the audit report. The Department has now identified a suitable arrangement which will allow an upgrade to the system for under US\$100,000. This outlay of funds, coupled with the introduction of a marketing plan for CIRS will allow it to better service all components of the industry, particularly providing support to smaller properties that are locally owned which are not able to participate in large corporate systems like name brand hotels can. A number of features will be realised by this upgrade to the system including the opportunity to increase hours of operation of CIRS, enhance fulfilment services to all customers and travel partners, as well as new opportunities to develop direct marketing for the Department. It is envisaged that such an upgrade will also provide a broader revenue base for CIRS.

In the review process all efforts will be made to ensure that the provision of this essential service to the local industry is provided in as efficient, and cost effective a manner as is possible.

Section 2.37: In conclusion, this section refers to the management of overseas calls. The Auditor General did not accept the paper records of the Department on which is recorded personal calls made as appropriate. The Department is now testing a piece of software which will manage the record keeping of overseas calls and allow the timely collection revenue associated with personal calls. All outstanding calls noted by the Auditor General are being investigated and, where necessary, reimbursement will be made by the appropriate member(s) of staff.

Part IV - The Water Authority Spotts to Pease Bay Water Distribution Project: The Government wishes to preface this part of the Minute, first by advising that the Auditor General's Report is not critical of how the Water

Authority is currently carrying out its business. The projects detailed in this report were constructed between the years 1987 and 1994, but were authorised in the years 1987 through 1992, prior to a major change in management at the Authority in 1994. The Government is pleased to advise that all of the policies which the Auditor General has criticised have been abandoned since 1993.

After carefully reviewing the contents of the Auditor General's report, the Government holds the view that it is quite clear that this report is critical of how the Authority negotiated contract extensions for materials procurement and construction of civil engineering works during the years 1987 through 1991. It was during these years that key policy decisions were made to extend contracts significantly beyond the scope of the original project without going to public tender.

Madam Speaker, policies detailed in the Auditor General's report were not developed purely out of carelessness and financial imprudence. The present Chairman, who is a long time member of the Water Authority Board, holds the view that the Water Authority was severely hampered during the period 1992 to 1996 by a lack of long-term financial commitment and planning which directly affected how the Authority dealt with contract extensions.

Throughout the water supply project, the Authority was forced to react to the pressures from the public to continue pipeline extensions without the support of a long-term Government financial commitment. A case in point is the Spotts to Pease Bay extension which was actually authorised by Government and constructed in three phases. That is, it was authorised to be constructed in three phases. Even if this project had been publicly tendered, one would expect that pricing would have been more competitive for one large extension instead of three separate phases.

It is extremely important in a rapidly developing country like the Cayman Islands that proper attention be given to long-term planning in order to meet the present and future expectations of the public. Anticipating and planning for growth allows a country to construct more extensive and cost effective projects which will fulfil the needs of future populations. Larger projects allow better funding terms, and almost always attract more competitive pricing by contractors. In the case of the public water supply project, the Government is of the view that it should have been recognised early that a reliable water supply and sewage treatment system is fundamental to the development of this country and should have made a long-term commitment to provide this service. This certainly would have allowed the Water Authority to explore other avenues to meet the demands of the public for water, while minimising costs.

Under the guidance of the present Board, the Water Authority has now prepared a long term development plan...

Mr. Gilbert A. McLean: On a point of Order, Madam Speaker.

POINT OF ORDER

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Madam Speaker, I am attempting to follow what the Temporary Third Official Member is reading in the Government Minute. I have observed that certain sentences or phrases do not occur in the copy that I have. Is there a reason for this, Madam Speaker? For example, the statement in the paragraph where it says: "the last Government should have recognised..." and the paragraph just read "under the guidance of the present Board..." It says: "under the present *Government...*" in my copy. Is there a reason for the deviation in these phrases or terms?

The Speaker: I will have to ask the Honourable Temporary Third Official Member to explain.

Mr. Joel A. Walton: Madam Speaker, in some cases for the ease of reading I am actually making some mental notes - I have also made some written notes. The reason is that the initial draft of the Minute was not written in the context of the Government Minute. So I was attempting to do that whilst on my feet. I do apologise for the differences. I hope I have not changed the meaning of it; it is a matter of trying to style on my feet in the format of the Government Minute.

The Speaker: I appreciate the difficulty under which you are going. Would you please continue?

Mr. Joel A. Walton: Thank you, Madam Speaker.

Under the guidance of the present Board (and the Member did mention Government), the Water Authority has prepared a long-term development plan and this plan has received my full support. In fact, one need only to review the Authority's 1995 Annual Report to see that the Water Authority now has both the expertise and financial resources to meet the goals of this plan.

Regarding the Auditor General's Comments on the material supply contract, the Government considers it unfortunate that the previous management did not see fit to refer this matter to the Water Authority Board. It appears that although the Board was consulted several times regarding extension of the civil engineering contract, the Board was never asked to formally endorse the extension of the materials contract, which represented a major cost in the water supply project. The Government holds the view that had the Board been aware that the Authority was not seeking competitive prices for its materials, steps would have been taken to rectify this after the Caribbean Development Bank (CDB) procurement restrictions were no longer a concern.

There is a point of explanation here: The earlier phases of the project had been under Caribbean Development Bank financing, and, as such, the procurement

methods of the bank had prevailed. So this is referring to after those restrictions no longer prevailed.

The Government is pleased to note that the present management is intent on getting the best possible value for the public's money and diligently follows Government's Financial Regulations with respect to tendering for materials and services. Local suppliers, as well as overseas suppliers are now asked to tender for the supply of PVC pipes, such as those used on the current Breakers extension, and the Authority has been able to reduce pipe costs by almost 40 per cent. In addition, the Authority no longer does business with Propax Industrial Exports as agreed between the present Minister and the Water Authority.

Also of concern to the Auditor General were alterations to the civil engineering construction contract entered into prior to 1993, which authorised the contractor to proceed on various project extensions over a seven year period. These extensions, and the way in which the original contract was altered to accommodate these significant increases in project scope, were a result of the way that the projects were authorised. Although the public demanded that the piped water continue into the new areas, the Government is of the view that the last Government was always reluctant to authorise funding for these extensions until the last minute. In fact, the report points out that the South Sound water supply extension was actually funded by property owners in the area, which further indicates the lack of financial support which was provided.

Madam Speaker, throughout its business relationship with Petroservicios, the Government holds the view that the Water Authority Board acted in the best interest of the public using the information which was provided by the former Member, former Chairman and former Managing Director. The Board always believed that the rate increases which were granted to the contractor each year were in keeping with the contract, and several references are made to the relevant clauses of the contract in the Water Authority's Annual Reports. Board decisions were based on information given by the former Member, former Chairman and former Managing Director, which indicated that the prices paid to Petroservicios could not be bettered, and that completion of these extensions would be significantly delayed by re-tendering.

The Government wishes it to be noted that the present Chairman and Minister voted against extending the water supply through Bodden Town without going to public tender, as a member of the Water Authority Board in 1991.

Since completion of the Spotts to Pease Bay project in early 1995, under the 1987 to 1991 contract, the Authority has embarked on a new direction with respect to construction of pipe line extensions.

The Authority presently employs nine local staff in its project department to design and construct civil works. The Authority has also purchased equipment which will enable it to complete a public water supply system throughout the country. All new projects are being de-

signed and constructed using local resources without the necessity to enter into contracts such as those used during the Spotts to Pease Bay project. In addition, the Authority is able to construct these projects at a much lower cost than contracting out the work.

The Government considers that the people of the Cayman Islands should feel assured that now their dollar is being well spent by the Water Authority. Present practices related to materials and services procurement no longer follow policies of the past which have been criticised in the Auditor General's Report. The Report should, however, be viewed as an example of why proper long term planning is necessary for cost effective and timely implementation of public projects. The Government is well aware that along with rapid development and economic prosperity comes the responsibility for properly planning expansion of the country's infrastructure.

Thank you, Madam Speaker.

The Speaker: Thank you Honourable Member.

The Report of the Standing Public Accounts Committee on the Report of the Auditor General on the Financial Statements of the Government of the Cayman Islands for the year ended 31st December, 1995.

The Third Elected Member for West Bay, Chairman of the Committee.

REPORT OF THE STANDING PUBLIC ACCOUNTS COMMITTEE ON THE REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF THE GOVERNMENT OF THE CAYMAN ISLANDS FOR THE YEAR ENDED 31ST DECEMBER, 1995

Mr. John D. Jefferson, Jr: Thank you, Madam Speaker.

In accordance with Standing Order 74(5), I beg to lay on the Table of this Honourable House a copy of the Public Accounts Committee Report for 1996.

The Speaker: So ordered. Please continue, Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: Thank you, Madam Speaker.

The Report of the Public Accounts Committee on the Report of the Auditor General on the Audited Accounts of the Cayman Islands Government for the year ended 31st December, 1995.

REFERENCE:

The Standing Public Accounts Committee of the Cayman Islands Legislative Assembly, established under Standing Order 74, met to consider the Report of the Auditor General on the Audited Accounts of the Cayman Islands Government for the year ended 31st December, 1995, as prepared and submitted by the Auditor General.

CHAIRMAN AND MEMBERS OF THE PUBLIC ACCOUNTS COMMITTEE:

On the 25th of November, 1992, following the General Elections held on the 18th of November, the first

Meeting of the 1992 - 1996 Legislature was held whereat the Members of this Committee were elected. The Members of the Committee elected were:

Mr. John D Jefferson, Jr.
Mrs. Berna L Murphy, MBE
Mrs. Edna M Moyle, JP
Mr. Anthony S Eden
Mr. D Dalmain Ebanks

Mr. John Jefferson was elected Chairman at a meeting of the Committee held on the 6th of January, 1993.

RESIGNATION OF A MEMBER:

On the 2nd of March, 1994, following an amendment to the Cayman Islands (Constitution) Order, Mr. Anthony Eden was elected as the fifth Minister to Executive Council, following which, on the 5th of September, 1994, the Hon Minister tendered his resignation as a member of this Committee to the Honourable Speaker of the Legislative Assembly.

To date, a nomination for his replacement has not been put forward.

PAPERS CONSIDERED:

In accordance with the provisions of Standing Order 74(1), the Committee considered the following papers:

- 1) The Report of the Auditor General on the Audited Accounts of the Government for the year ended 31st December, 1995; and
- 2) The Report of the Accountant General on the Accounts of the Government for the year ended 31st December, 1995.
- 3) The Report to the Auditor General of the Cayman Islands on the Water Distribution System by M. M. Dillon Limited was also considered.

MEETINGS OF THE COMMITTEE:

The Committee held eight meetings, being:

- Friday, 30th August, 1996;
- Monday, 2nd September; 1996;
- Tuesday, 3rd September; 1996;
- Tuesday, 10th September; 1996;
- Tuesday, 17th September, 1996;
- Wednesday, 18th September, 1996;
- Friday, 20th September, 1996; and
- Monday, 23rd September, 1996, when the Committee considered and approved its Report.

ATTENDANCE OF MEMBERS:

The attendance of Members of the Committee are recorded in the Minutes of Proceedings which are attached and forms part of this Report.

PERSONS IN ATTENDANCE:

In accordance with Standing Order 74(8), the following persons were in attendance:

- (i) Mr. Nigel Esdaile, Auditor General
- (ii) Mr. Joel Walton, JP., Deputy Financial Secretary
- (iii) Mr. Alan Mason, Accountant General.

Also in attendance were:

- (iv) Mr. Kenneth Jefferson, Audit Manager - Audit Office
- (v) Mrs. Debra Welcome, Audit Manager - Audit Office
- (vi) Mrs. Sonia McLaughlin, Chief Accountant - Treasury Department

WITNESSES CALLED BEFORE THE COMMITTEE:

The following persons were invited to appear before the Committee to provide information on the dates as stated:

2nd September, 1996

- (1) Mr. Orrett Connor, Chief Immigration Officer
 - (2) Mrs. Christine Mitchell, Financial Controller-Immigration Department
 - (3) Mrs. Deanna Look Loy, Director of Social Services
 - (4) Mrs. Angela Martins, Former Director of Social Services
 - (5) Mrs. Linda Mitchell, Executive Director of the Cayman Islands Marine Institute
 - (6) Mrs. Netha Ebanks, Administrative Officer, Department of Social Services
- By invitation: Hon. W. McKeever Bush, JP, the Honourable Minister for Sports, Women's and Youth Affairs and Culture.

3rd September, 1996

- (7) Mr. Frederick McTaggart, Director - Water Authority
- (8) Mr. Tom van Zanten, New Works Engineer - Water Authority
- (9) Mr. Harding Watler, Permanent Secretary for the Ministry of Tourism, Aviation and Commerce
- (10) Mrs. Angela Martins, Director of Tourism
- (11) Mr. David Frederick, Deputy Director of Civil Aviation Authority
- (12) Mrs. Dana Tudor, Financial Controller, Civil Aviation Authority
- (13) Miss Cindy Jefferson, Acting Registrar of Companies
- (14) Mr. Clark Buchanan, Director of Lands
- (15) Mr. Colford Scott, Chief Engineer, Public Works Department
- (16) Mr. Philip Tatum, Acting Director, Department of Vehicle and Equipment Services

- (17) Miss Andrea Bryan, JP., Permanent Secretary for the Ministry of Health, Drug Abuse Prevention and Rehabilitation (HDAP&R)
- (18) Dr. Peter Pain, Chief Medical Officer
- (19) Mr. Mervyn Connolly, Director of Health Services
- (20) Mr. Colin Brown-Smith, Health Services Accountant; and
- (21) Miss Betty Ebanks, Assistant Secretary for the Ministry of Health Drug Abuse Prevention and Rehabilitation

17th September, 1996

- (22) Mr. Joel Walton, JP., Deputy Financial Secretary

18th September, 1996

- (23) Mrs. Francine Roach, Assistant Secretary, Personnel Department

COMMITTEE'S FINDINGS AND RECOMMENDATIONS:

The following is a summary of the Committee's findings and recommendations:

1) Financial Performance in 1995

Excluding a loan refinancing transaction of \$4.678 million undertaken on behalf of the Water Authority, the purpose of which was to avoid losses arising from fluctuating foreign exchange rates, total Government expenditure for 1995 (recurrent, capital and statutory) was almost \$800,000 less than the original estimate presented to this Honourable House in November 1994. The Committee considers that this reflects Government's careful stewardship and the endeavours of the Honourable Financial Secretary and his department to manage prudently our financial resources. This is a very satisfactory outcome, especially in light of the Cuban refugee crisis, which had a considerable, and unexpected, impact on public finances in 1995. (Madam Speaker, I might add that the cost associated with the Cuban crisis was in the region of \$5 million.)

Excluding the Water Authority's loan refinancing transaction, recurrent revenue was \$2,144,857 less than the approved estimate. The Committee noted that the revenue shortfall could be attributed to one or two key transactions which could not be foreseen at the time the budget was presented. The Committee has consistently advocated that Government must improve the efficiency and effectiveness of its revenue collection. It is evident that the recent initiative to establish a Debt Collection Unit is achieving some positive results in various areas. Up to 17 September 1996 some 446 debts totalling \$983,672 have been referred to the Unit and an amount of \$117,284 has been collected. Government's decision to create an effective Debt Collection Unit is having positive effects elsewhere. For example, the accumulation of arrears of medical fees is slowing down. The Health Services Department is currently collecting approximately \$100,000 per month more than in previous months.

However the Committee recognises that there is a massive backlog of revenue arrears stretching back for many years and does not underestimate the scale of the task ahead. For example, 2,500 local medical bills totalling \$2.1 million were recently referred to the Debt Collection Unit.

According to the Auditor General's report, public debt service costs continue at moderate levels in comparison with regional and international standards. Programmed debt service costs for 1995 amounted to 6.3% of recurrent revenue. Total public debt actually fell by \$9.6 million in 1995. Of this amount, \$4.678 million was attributable to the refinancing of Water Authority loans with the Caribbean Development Bank. For record purposes the Committee wishes to report that total new debt assumed between 1993 and 1995, including self financing loans for statutory authorities, was \$29.984 million. This includes the \$16.667 million Cayman Airways refinancing loan, drawn down in 1993 to clear the airline's debts, and \$6 million for the Dr Hortor Memorial Hospital and the Faith Hospital projects. The Committee is very pleased to report that \$6,552,383 of these two loans has been repaid as at 31 December 1995.

Audit Opinion

The Committee took evidence from the Deputy Financial Secretary, the Accountant General and the Auditor General.

(a) Overseas Medical

The Committee notes that the Auditor General disagrees with the accounting policy for overseas medical advances and, as a result, has qualified his opinion on the 1995 accounts. This difficult issue has existed for a good many years. The previous Committee last examined the situation in 1991. That Committee's recommendations were accepted by Government, who agreed that expenses initially charged to advance accounts should be reviewed at least annually, with a view to transferring completed cases to a loan basis and thus recognising the advances as recurrent expenditure. It was also noted that an amount of \$6.3 million was charged to expenditure in 1992 but no further advances have been expensed since that date. At 31 December 1995 total advances for overseas medical treatment stood at \$7,721,834. It is the Committee's considered opinion that part of these will have to be written off as irrecoverable, with most of the balance transferred to long term loans. The Committee strongly recommends that every effort is made to collect outstanding advances. The Committee agrees with the Auditor General that the practical effect of the present accounting policy is to defer recognition of expenditure to future periods. [The Committee understands] that this accounting issue will be addressed during the upcoming review of the Public Finance and Audit Law and, accordingly, does not find it necessary to make any specific recommendation at this time.

The Committee also asked representatives of the Ministry of Health, Drug Abuse Prevention and Rehabili-

tation and the Health Services Department to comment on the accounting policy issues. The officials stated that the accounting issue was not a matter for either the Ministry or the department but for the Portfolio of Finance and Development. The Committee was also made aware that repayment of these advances is problematic to say the least. Few if any of the current overseas medical advances have yet been referred to the Debt Collection Unit, so it is not possible to assess the probability of recovery at this stage. In reality much of the accumulated advances must be considered doubtful. The Committee hopes that the scale of advances for future overseas medical treatment will be reduced considerably with the proposed Health Insurance Law.

The Committee wishes to emphasise two points. Firstly, the Committee fully support successive Governments' provision of overseas medical treatment. No citizen should ever be denied medical treatment because of his or her inability to pay. Secondly, the Committee does not advocate write off on a grand scale. Suitable repayment plans should be put in place for those persons able to pay for overseas medical expenses. After careful consideration the Committee recommends that:

- i. An annual provision should be included in the budget to cover overseas medical expenses for non entitled persons.
- ii. Expenditure accumulated in advance accounts should be expensed in the Receipts and Payments Account as soon as possible.
- iii. All necessary steps should be taken by the Health Services Department to recover overseas medical advances from those able to pay.

(b) Land Purchases

The Committee also questioned the Director of Lands and Survey regarding pre payments for three land purchases. The cheques for these transactions were drawn in 1995 but the expenditure was not recognised until the 1996 year of account. The Auditor General disagrees with the accounting treatment. The Committee was informed that the transactions in question had been authorised by Executive Council and that funding had been approved by Finance Committee. Apparently there have been difficulties in obtaining same day cheques for settlement with land vendors. The matter was further complicated as a result of the early end-of-year cut off for payments on 5th December. In order to avoid being placed in a position where the department could not settle transactions with purchasers, cheques were requested in advance of settlement. The Committee does not appreciate the justification for such an early cut-off date since the Treasury's financial records are now computerised. The Committee recommends that this cut-off date should be extended.

The Committee understands that this is a unique set of circumstances which could not have been anticipated

and which are unlikely to recur. The Committee does not find it necessary to make any specific recommendation in this particular case, as arrangements have now been put in place for "same day" cheques to be provided by the Treasury. This should avoid a repeat of the problem.

(3) Advance Payments - Deposit for Furniture

On a related issue, the Committee was disturbed to see the misuse of advance payments, whereby a department paid \$100,000 as a deposit for furniture. There appears to be no justification for this transaction, which seems to be a clear violation of Financial and Stores Regulations. The Committee **recommends** that the Financial Secretary again reminds all Controlling Officers about the rules for advance payments and competitive tendering. Advances should be kept to a minimum and must be properly justified by a responsible officer.

(4) Overseas Medical Expenses

Recovery of overseas medical expenses paid on behalf of patients is an important area of public finances, involving some \$7.721 million of recoverable advances and a further \$ 6.513 million of recoverable interest free loans. It was evident to the Committee that insufficient attention has been paid to securing Government's financial interests and ensuring effective debt recovery. For example, only 1.4% of total overseas medical loans was collected in 1995, and only 5.7% since 1993. Based on these performance statistics it would appear that many of these debts are irrecoverable, though none have been referred to the Debt Collection Unit. The Committee reiterates its earlier recommendation that all necessary steps must be taken to recover medical advances from those able to pay.

The Committee was disappointed that clear lines of responsibility had not been established, to the extent that it was uncertain which department was responsible for receivable management and debt collection. Invoices and statements have not been issued to patients on a regular basis and only minimal attempts have been made to pursue recovery of debts owed to Government. Members of the Committee cited instances where patients held medical insurance, but the Health Services Department had taken 2-3 years to submit claims to insurers. Such claims are, of course, now time barred and clearly it would be unreasonable to expect patients to assume financial liability in these circumstances. One positive decision emerging from discussions was that the Health Services Department will assume responsibility for recovery of loans and advances with immediate effect. The Committee was told that monthly invoices and statements are being issued to patients with effect from August 1996. Patients with delinquent accounts will be sent automatic reminder letters and defaulters will be referred to the Debt Collection Unit. The Committee **recommends** that this section be provided with the appropriate level of manpower to implement effective debt recovery as a matter of priority. The size of the task facing the Debt Collec-

tion Unit, especially the backlog of cases, should not be underestimated.

The Committee notes that financial assessments carried out by a Medical Social Worker (MSW) are never verified. The department considers that this individual is mis-employed. The Committee recommends that the department prepare a comprehensive job description and provide proper training to the individual responsible for financial assessments so that realistic payment plans are established with patients.

On a related matter, the Committee was made aware that civil servants receiving overseas medical treatment are required to pay the difference between local and overseas room rates. Although this is a policy issue, the Committee respectfully suggests that this rule could be reviewed in light of the proposed health insurance legislation.

(5) Immigration Security Deposits

Immigration deposits of \$1 million were transferred to General Revenue during 1995 under the provisions of section 23(4) of the Public Finance and Audit Law, 1985. This allows deposits unclaimed for five years to be treated as moneys received for the purposes of Government. The Committee notes that this arrangement is a continuation of a long established practice. The Auditor General has expressed some reservations about this transaction because deposits may have been appropriated before employees have departed the Islands. In his opinion, Government should wait for five years after an employee has left the Islands before considering appropriation of any immigration deposit. There are two related issues which should be addressed, one legal and the other accounting. It appears to the Committee that the legislation may have been interpreted too liberally in the past. It is therefore imperative that substantive legal advice is obtained to determine when the five year waiting period should commence. From an accounting point of view, the Committee acknowledges that transfer of deposits to general revenue has the effect of reducing liabilities in the Statement of Assets and Liabilities. The Committee wishes to emphasise that this is only an accounting and legal issue. Government has given an undertaking that all legitimate requests for deposit refunds will continue to be met in full.

Immigration Department collects and authorises refunds of immigration security deposits. Financial management of the immigration deposit account is the responsibility of Treasury. Immigration Department has a database of the number of work permit holders and their dependants but the dollar value of the deposits collected is not recorded therein. Treasury and Immigration records have never been reconciled. The Committee accepts that Treasury has allocated significant resources to this reconciliation, which is expected to be completed by September 1996. Once this is accomplished it is intended that Immigration will have complete management of the deposits. The Committee is pleased to note that any deficiency identified by the reconciliation process will be

made good by Government. The Committee **recommends** that:

- a) Since Government has an ethical and moral responsibility to return immigration deposits, any future appropriations should be supported by a schedule of employees who have left the Islands, together with positive confirmation that all efforts to refund the deposit have been exhausted.
- b) Government addresses the accounting policy issue as part of the upcoming review of the Public Finance and Audit Law.
- c) Reconciliation of the deposit account be completed as soon as possible.
- d) Responsibility for the financial management of the deposit account should be transferred from Treasury to Immigration.
- e) Immigration deposits should be kept in a separate bank account and should not be mixed with Government's funds. The Statement of Assets and Liabilities should also disclose the restrictions on the use of these funds.

(6) Arrears of Revenue

Under the cash basis of accounting, revenue is only recognised when it is received. Receivables are not reflected in the present accounting system or financial statements. Unpaid fees should be monitored by Controlling Officers. Financial and Stores Regulations require Controlling Officers to provide details of arrears of revenue annually to the Accountant General for inclusion in the annual accounts.

The Committee noted that arrears of revenue increased by \$5,865,163 from \$12,494,145 in 1994 to \$18,359,308 in 1995. In response to the problem of increasing revenue arrears, Government established a Debt Collection Unit in March 1996. The Committee is pleased with the positive action taken by the Debt Collection Unit and wishes them further success in their endeavours to collect debts, which will improve the financial position and ensure that funds are available for future government programmes and services.

One of the larger increases in revenue arrears is company fees which increased by \$1,789,395 in 1995 (\$4,084,354 at year end 1995). The Committee was told that over \$1 million of the arrears had been collected since 1st January. The majority of outstanding fees are for foreign and exempt companies, which, it was noted, are managed locally. Management companies do not advance fees on behalf of their clients. As a result Government is made to wait for revenue, often whilst companies continue to operate. Delinquent companies may be permitted as long as two years to settle their debts before they are struck from the Register. Non-payment of company fees results in the assets of the company being

vested in the Financial Secretary. No penalty for late payment is imposed. The Committee feels that the grace period given for payment of company fees is excessive and recommends that this is reviewed with the intention of reducing this time span. The Committee also considers that local management companies should be made responsible for the payment of annual company fees on behalf of their clients to ensure that fees are paid promptly.

The 1994 and 1995 accounts of the Civil Aviation Authority were still outstanding when the Committee took evidence on the arrears of revenue owed by the Authority to Government. At year end 1995 Government recorded arrears of \$1,717,590 for contributions due in 1994 and 1995. The Authority disputes this and claims that it is owed funds by Government. Subsequent to the evidence session, the Committee was informed that agreement in principle has been reached and that the Authority's 1994 accounts should be finalised for presentation at the September 1996 meeting of the Legislative Assembly.

The Committee notes that the legislation for the Civil Aviation, Port and Water Authorities all contain provisions that any balance of account in excess of \$100,000 should be transferred to General Revenue each year. The Committee is aware that this legislation has been ignored for a number of years and statutory authorities have been permitted to build up large cash balances. Added to this, there are never-ending discussions on the financial arrangements between Government and its authorities, and there are regular disputes about contributions to general revenue. All authorities generate significant operating profits and all have substantial cash reserves. Equally, all have been vested with assets repayable to Government. As a matter of good governance, financial arrangements between Government and its statutory authorities need to be placed on a clear footing, which must be respected by all parties.

The Committee recommends that:

- a) The subject of contributions from statutory authorities should be addressed as part of the review of the Public Finance and Audit Law.
- b) The legislation governing the financial operation of statutory authorities should also be reviewed.

(7) Tourist Accommodation Tax

Included in the Statement of Arrears of Revenue as at 31 December 1995 is \$1,013,785 in respect of estimated amounts owed for tourist accommodation tax by 30 properties. Two companies are responsible for \$917,111 or 90% of these arrears. The Auditor General believes that there is no prospect of recovering the debt (\$586,726) owed by the former proprietors of Ramada Treasure Island Resort and that the amount should now be written off. The Committee concurs with this statement and recommends that Government take the necessary write-off action during the current financial year.

The second case involves a local management company, Hospitality World Ltd (HWL), which owes \$330,385 over a nine year period, including \$68,863 of surcharges. The Committee established that \$204,008 of these arrears relate to the period 1987 to 1990. The balance of \$126,377 is for accommodation tax collected by HWL between 1992 and 1995. It was noted that extensive efforts have been made by the Treasury and Legal Departments to recover this debt.

The Committee learned that HWL transferred its business interests to another company, Cayman Condo Holidays Ltd (CCHL), which was formed in December 1994. In early 1996, HWL's legal advisors submitted a plan to clear the company's accumulated liabilities by regular monthly payments from CCHL. This plan was never activated because the companies' bankers indicated that they were not prepared to proceed with the repayment plan. In the absence of an acceptable payment plan for tax arrears, the Committee was disappointed to note that the company's operations have not been restricted in any way, for example through withholding of licences. According to recent press reports both HWL and CCHL ceased trading in early September. The Committee is disturbed that collection of tax arrears has been allowed to drag on for so long and that the owners have managed to renege on their financial obligations. The Committee considers this to be tantamount to fraudulent trading.

One of the main problems is that government taxes are not segregated from a company's general funds. The Committee considers that government taxes should be preferred in a liquidation. Following this Committee's report in 1993, Government agreed to initiate a study of the law during 1994. The Committee is not aware whether this study was ever carried out.

The Committee recommends that:

- a) Government should undertake a thorough review of relevant legislation to determine the best way to close the apparent loopholes in the collection of tourist accommodation tax.
- b) Consideration should be given to making non payment of tourist accommodation tax a criminal offence. In addition, Government should consider introducing legislation to address payment of government taxes collected and deposited with banks. One suggestion might be to require that government taxes are deposited in a separate bank account.
- c) Licensing departments should be instructed to disallow business and other licences for non-payment of government taxes.
- d) Government pursues recovery of tourist accommodation tax arrears owed by HWL and CCHL with

the utmost vigour, including the possibility of action against individual directors.

(8) Cayman Islands Marine Institute (CIMI)

In 1994 Government entered into a five year contract with Associated Marine Institute (AMI) to provide juvenile rehabilitation services locally. The Cayman Islands Marine Institute (CIMI) was established to carry out these operations. This is the first attempt by Government to establish a structured, well-defined youth rehabilitation programme.

The scheme places emphasis on the behavioural attitudes of the students, as well as academic achievements and aims to enhance the self-esteem and capability of young people to be productive citizens in our society. The programme provides six residential and 25 day places. To date five students have graduated from the programme.

A student's involvement with the programme does not terminate upon graduation. Intensive follow-up work is done with students and parents after graduation - a service which would not be possible if the child was sent overseas.

The Committee was delighted to note that the number of juvenile convictions has fallen significantly since the inception of this programme, from 335 in 1992 to 115 in 1995. Although other factors may be involved, the Committee is certain that the reduction in juvenile crime is attributable, at least in part, to CIMI programme.

The programme has operated at or above 90% capacity since May 1995 and above full capacity since January 1996. Additional students are cared for at no additional cost to Government. Programme costs for the first two years of operation were approximately \$1.9m, including start-up costs for salaries and equipment. Operating costs should be viewed in the perspective that quality care is expensive. For example, the Committee was told that the Government spends an average of \$100,000 per year per student sent to overseas rehabilitation facilities.

The Committee wishes to record its appreciation to the present administration for having the foresight to address the needs of our troubled juveniles and for establishing this much needed facility.

The programme has experienced some teething problems, which have been commented upon by the Auditor General. The Committee shared the concerns of witnesses about the difficulties in providing for the academic needs of students.

In considering the educational component of this programme, it is important to view CIMI students as young people with a whole range of rehabilitative needs. It was initially expected that 40% of CIMI students would be re-integrated into the school system. This target has not been achieved because schools have practical difficulties in accepting CIMI graduates back into the school system. Two factors contribute to this situation:-

- 1) CIMI does not provide an educational programme with the present school system.
- 2) Many CIMI students are not able to cope with either the CXC or IGCSE syllabus. Children at CIMI are often students who are truant, badly behaved, and who have missed a lot of schooling, and are usually at the lower end of the academic stream.

The Committee acknowledges that there are difficulties integrating CIMI students back into the school system. The Committee supports the initiatives of CIMI management, Social Services Department and the Education Department to develop a curriculum, which would result in a local diploma being awarded to successful graduates. It is expected that this programme could be introduced to other Social Services programmes, for example the Young Parents Programme. The Committee recommends that the programme be staffed with suitable trained personnel to ensure that the educational component is delivered effectively.

The Committee's evidence on the financial and contractual issues raised by the Auditor General was supplemented with a written submission from AMI. The Committee acknowledges that AMI has complied with all contractual requirements and have delivered the programme contracted for.

Several of the financial issues raised have been satisfactorily resolved. Concerning the recurrent funds paid in 1996 for the operating costs of the new girls residential unit, AMI has confirmed to us that an amount of \$73,899 will be used for the construction of the new girls' residential facility. AMI has also agreed to initiate discussion with their bankers in order to eliminate the recurring foreign exchange losses of \$13,000 per annum.

The Auditor General also reported that CIMI has accumulated substantial cash balances (\$200,186 held at 31 December 1995). About half of this relates to savings arising from the staffing shortages identified by the Auditor General. AMI has confirmed that only 66.3% of budgeted manpower was actually supplied, resulting in a saving of \$105,269. The underspend on manpower was less than that reported by the Auditor General. AMI reports that CIMI's present cash balances are \$152,000.

There are two related issues, working capital reserve and depreciation, which need to be considered in consultation with the Portfolio of Finance and Development.

The Committee recommends that CIMI, AMI and the sponsor department (Social Services) should agree an adequate working capital reserve for the CIMI programme. The AMI standard on other programmes is three months, though this appears somewhat high considering that Government funds AMI on a monthly basis. Secondly, the Committee recommends that all parties should agree on whether or not depreciation should be funded. Other Cayman Islands Government programmes operate on a cash basis which require legislative approval for

capital equipment and development projects. CIMI has confirmed to the Committee that it intends to use \$50,000 of the accumulated cash surplus to replace two vehicles. To avoid further accumulation of excess funds and to ensure that the Government continues to receive good value for money, the Committee further recommends that, at a minimum, annual financial statements are provided to Social Services Department, which should implement suitable controls to monitor annual budget allocations and expenditure by CIMI.

The Speaker: At this time we will take the suspension.

Before I do that, I need to inform you that the Select Committee to Review the Fundamental Rights (Clause) of the Constitution, proposes to meet at one o'clock in the Committee Room.

Therefore the House would have, under Standing Order 78, to give its approval for its sitting. I now ask that the House agree to the Committee sitting at one o'clock. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The Committee will accordingly sit at one o'clock.

AGREED: THE COMMITTEE WILL MEET TO CONSIDER THE FUNDAMENTAL RIGHTS CLAUSE OF THE CONSTITUTION.

The Speaker: Proceedings are now suspended until 2.30 p.m.

PROCEEDINGS SUSPENDED AT 12.47 PM

PROCEEDINGS RESUMED AT 2.44 PM

The Speaker: Please be seated.

The Third Elected Member for West Bay continuing.

Mr. John D. Jefferson, Jr: Thank you, Madam Speaker. I would now like to deal with the heading "Fuel and Stocks" in the Public Accounts Committee Report:

(9) Fuel Sales and Stocks

The Committee notes that the purchase and issue of fuels by Government is administered through an advance account and the transfer voucher (TV) mechanism. Public Works Department (PWD) has the prime responsibility for this subject area. The advance account balance at year end should represent the value of the physical quantity of fuel held. At 31 December 1995 the advance account balance was \$98,513. The Auditor General estimates the value of fuel stocks as \$7,475. There are several reasons for this variance. Firstly, PWD does not always bill departments promptly. Secondly, several departments fail to return TVs promptly to Treasury. Thirdly, delays occur in Treasury's processing of the TVs.

Fourthly, evaporation of fuel has occurred over many years as fuel tanks are above ground. The Committee was told that outstanding advances for 1995 had been reduced to \$18,338. However the balance on the account has remained at over \$100,000 for most of 1996. It is apparent that delays in settling and processing fuel purchase transactions are continuing.

The Committee is aware that a new fuel facility is being constructed. Government has negotiated a new 15 year supply contract with Texaco for fuel to be supplied at dealer net prices. This will save Government an estimated \$150,000 per annum. The Committee regards these cost saving efforts as praiseworthy. However, the Committee was disappointed that legal protraction delayed finalisation of the contract by almost a year. Government has obviously suffered additional costs during this period. The Committee was very disappointed that Texaco has not found it possible to allow a retrospective price rebate for the period during which the contract was being finalised.

The Committee recommends that :

- a) PWD must ensure billings are issued at the end of each month. Fuel supplies should be withheld from departments which fail to settle accounts promptly.
- b) All departments should ensure that fuel and vehicles are used only for official purposes.
- c) Government renews its efforts to seek a retrospective price rebate from Texaco.

(10) Department of Tourism

The Committee was encouraged with the positive progress achieved by the present Director of Tourism to implement better financial controls and is satisfied that the Department is moving in the right direction. Adequate and appropriately trained staff are required to ensure that the Department receives the goods and services contracted and paid for. From the evidence provided by the Auditor General and the Director of Tourism, the Committee was generally satisfied that transactions with the department's North American advertising agency are in order and that the agency has fully discharged its obligations to the Cayman Islands Government. Although the Department of Tourism operates closely with the private sector, it is important that the department continues to adhere to the highest public standards. Competitive tendering should be followed whenever relevant and practical, though we do appreciate that this will not be appropriate for procurement of advertising media.

The Committee recommends that the Department should develop procedures to test the effectiveness of magazine and television advertising.

The Committee notes that about \$2.5 million has been spent on the Cayman Islands Reservation Service in the last 10 years. At present the service is only recovering 20% of its costs. The Committee is aware of recent technological and business changes. Cayman Airways

now provides an inclusive tours reservation service, which represents many of the properties served by CIRS. Use of the Internet to advertise vacation properties is becoming commonplace. It appears to the Committee that these two factors could affect the volume of business generated by CIRS, making it even less viable. However the Department of Tourism is of the opinion that the service can be provided at, or near, break-even through better marketing and through the provision of better services to both client properties and visitors.

The Committee recommends that:

- a) The economics of this service should be thoroughly appraised before any further capital commitments are undertaken by the Department.
- b) Central to any review must be examination of the long standing commission structure, which charges properties only 3% of confirmed bookings. This seems to be far too low and is essentially an unjustified subsidy to the hospitality industry.
- c) The review should also consider whether the existing reservation service can be provided by Cayman Airways or another private sector entity, such as the Hotel and Condo Association.

If the service is to continue, it is clear to the Committee that action is required to reduce computer costs considerably. The Committee was surprised that the Department had allowed the present unsatisfactory and costly service to continue for so long without intervention.

(11) Telephone Costs

The Committee notes that Government's telephone costs have increased by 40% between 1991 and 1995. A larger civil service and the introduction of new services such as faxes, cellular phones and access to the Internet explain some but not all of the cost increases. The Committee is concerned by unjustified use of cellular phones in instances when traditional telephones are readily available. The Committee's main concerns are twofold: civil servants may have abused telephone facilities for personal use and Controlling Officers may not have monitored telephone expenditures vigilantly. Most of Government's telephone cost is managed by the Portfolio of Finance and Development. The Committee understands the Portfolio's current workload and staff complement prevents the degree of attention which should otherwise be placed on this area.

Most departments have international direct dial facilities and there appear to be few restrictions placed on access to these facilities. Based on the Auditor General's report, the Committee considers that there may have been some abuse of personal telephone privileges. Many unidentified overseas calls have been made, making it

impossible to determine whether such calls were made for official or private purposes. The Committee acknowledges that some departments (for example, the Department of Tourism) have made efforts to rectify this weakness. The Committee was told of two further developments.

Firstly, consideration is being given to transferring responsibility for telephone expenditure away from the Portfolio to individual Controlling Officers. Provided adequate instructions are issued on the recording and monitoring of international direct dial facilities, Controlling Officers will be made accountable for the management of costs and this should have the desired effect of reducing expenditure.

Secondly, private calls are deducted from salary when departments identify private overseas calls. The Committee is satisfied with the new procedures introduced by the Financial Secretary for recovery of overseas calls from civil servants.

The Committee was disappointed to learn that Government had not sought a reimbursement from Cable and Wireless, in respect of unconnected "one minute calls", since March 1993. The Committee understands that the Financial Secretary has issued instructions that claims for unconnected international calls be made on a monthly basis.

The Committee recommends that:

- a) Individual expenditure telephone votes should be introduced for departments in the annual Budget presentation. Control over the management of telephone costs should be devolved to individual Controlling Officers. The Portfolio of Finance and Development must ensure that Controlling Officers are briefed and instructed to the effect that they will be held accountable for the management of costs.
- b) Controlling Officers should ensure that all international calls are identified as either official or private and that appropriate records are maintained for inspection.
- c) In light of the existing Government communications network, the use of cellular phones should be restricted. Access to the Internet should be restricted to essential users and closely controlled.

(12) Advertising and Promotion of Financial Services

Government spent over \$1.8 million between January 1994 and June 1996 on advertising the Islands' financial services and shipping registration. The Committee applauds Government for its efforts to maintain the Islands' pre-eminence as an offshore financial centre, especially in light of increased competition from other jurisdictions.

During 1995 two initiatives were implemented which involved cost sharing between Government and the private sector: the production of a high quality financial services handbook and business conferences held in New York, London, and Hong Kong. The Committee is pleased to note Government's cost sharing initiatives with the private sector.

Whilst the Committee is supportive of efforts to maintain the Islands' competitive edge, it is nonetheless concerned that such efforts be cost effective. The Committee recommends that Government develops methods to assess the effectiveness of advertising and promotional expenditure on financial services.

The Committee notes that the 1996 advertising budget for the Portfolio of Finance and Development is \$1,004,000, including a virement of \$250,000. Expenditure charged to this subhead as at 19th September 1996 was \$992,560. On questioning the Deputy Financial Secretary and a representative from Personnel Department, the Committee learned that the former Co-ordinator of Marketing and Promotions in the Portfolio of Finance and Development had committed Government to expenditures of approximately £600,000, mainly for magazine advertisements for our financial services industry. These commitments were placed contrary to specific instructions from senior officers. The Committee was informed that Government has taken disciplinary action against this officer and has dismissed him from the service with loss of all benefits.

The Committee further **recommends** that the Auditor General's office should examine the circumstances of these unauthorised expenditures.

(13) Water Authority -The Spotts - Pease Bay Water Distribution Project

The Committee's evidence from the Director and new works engineer of the Water Authority was supplemented with the report of an independent civil engineering consultant. The Committee's concerns relate to two main areas: the procurement of water pipes and other materials and the civil engineering contract.

(a) Materials Procurement

The Committee's findings are as follows:

- i. The Auditor General was unable to locate any pre-qualification documentation for the successful bidder, Propax Industrial Exports Ltd. This is a crucial area as the company has only £100 paid up share capital and is reported to have been dormant since its creation in 1985. The Committee notes that the Authority was advised of Propax's lack of capital and its questionable trading status before the contract was awarded.
- ii. Propax was the highest of three bidders for the original materials contract in 1987. The tender evaluation appeared to eliminate the two lower

bidders because they could not guarantee delivery within 110 days. No one has been able to locate the decision of the Public Tenders Committee to award the contract to Propax. The Committee was surprised to discover that the last Government did not require Statutory Authorities to follow the Financial and Stores Regulations and have compulsory tendering of contracts in excess of \$100,000 forwarded to the Central Tenders Committee.

- iii. Notwithstanding that the Authority's present management is satisfied with the quality of service provided by Propax, it was apparent that there had been no attempts by management to obtain competitive bids for approximately \$3.125 million of materials, following completion of the original contract in 1988. The Central Tenders Committee was never consulted about these continuing single source supply arrangements, which run contrary to the important principles of transparency and good governance.
- iv. The refusal of the Caribbean Development Bank in 1990 to consider financing the Spotts - Pease Bay project effectively lifted earlier procurement restrictions on the United States suppliers. Management had ample opportunity to seek competitive bids for materials prior to placing additional orders with Propax. From evidence presented by the Auditor General and the Authority's own competitive procurement in 1995, the Committee concluded that competitive procurement would have resulted in substantial savings on the price of pipes - possibly as much as 50% of actual costs could have been saved.
- v. The Committee is deeply concerned that a payment of \$795,131 made in December 1991 was diverted to a third party, a Mr E Mayar, for phase I materials supplied by Propax. Although there was no financial loss, this arrangement placed the Authority at risk. Although there was no financial loss, this arrangement placed the Authority at risk. All efforts to determine the identity of Mr. Mayar have been unsuccessful.
- vi. The Committee notes that these losses and irregularities are patterns which were referred to in the Auditor General's 1993 Report on matters occurring prior to 1992 which set out irregularities as a result of an unauthorised loan in April, 1992, air travel costs for a member of staff, the underbilling of one water account for the then Member of Executive Council with responsibility for the Water Authority by the deliberate manipulation of water meter readings during the period August 1991 to January 1993, the waiver

payment of US\$17,400 - of an invoice for installing a water distribution system in a new subdivision for a company known as SAC of which the Fourth Elected Member for George Town was a shareholder, and the unauthorised use of the Authority's funds for private purposes as set out in Paragraph 48 of the 1993 Report.

(b) Civil Engineering Contract

- i. The original civil engineering works were tendered internationally and were awarded to the low bidder, Petroservicios Ltd, of Colombia. The original contract was for approximately \$2.6 million. Subsequently, the Authority increased the scope of the works on several occasions through a series of Variation Orders - from approximately 33,000 metres of pipe to 213,000 metres of pipe. The original contract was extended from 330 days to an elapsed time of approximately seven years. The Committee has two main concerns about these scope changes: the increase in the unit rates and the justification for not seeking competitive tenders for the additional works.
- ii. Clause 70 of the contract expressly prohibited price increases due to variations in the cost of labour, plant and materials. As the works were expected to last for only 330 days, it was not considered necessary to include a mechanism for price increases. Once the Authority began to introduce significant variations to the scope of the works, the contractor requested price increases under clause 52(3) of the contract. The Authority agreed to this request and approved an increase of 11.6% in 1989. Thereafter, the contractor was awarded an annual price increase with effect from each 1st January. A total of \$1.427 million was identified as amounts paid arising from the annual price increase.
- iii. From the expert evidence provided by the independent consulting engineer, the Committee concluded that the price increases awarded by the Authority did not comply with the terms of the contract.
- iv. The contract was altered from fixed price to variable price mainly for reasons of expediency. The Authority has put forward a number of justifications for this course of action. For example, the Authority was very satisfied with Petroservicios work and the company's flexibility; that there would be little interest for the Pease Bay extension from other contractors on island; that the Authority did not consider itself bound to adopt competitive tendering procedures prescribed by Government's Financial and Stores

Regulations; and that there was insufficient time to tender. The Committee acknowledges that there may be some substance to some of these arguments.

- v. Central to the Authority's justification for its course of action is its assertion that re-tendering would have increased costs substantially. The independent consultant found this to be not proven.
- vi. The Committee is of the strong opinion that the Spotts - Pease Bay extension should have been competitively tendered. It is indeed possible that Petroservicios might have won a competitive tender, but at least the wider public interest would have been served by an open and transparent process. There is a definite possibility that the contractor might have fixed his 1990 or 1991 unit rates for the duration of the works in order to secure the contract, which would have saved the Authority over \$550,000.
- vii. The independent consultant has commented that no long term engineering or funding plan existed and that the project appears to have proceeded on the basis of expediency. It is clear that there were far too few engineering personnel available within the Authority to carry out all the activities required to design the new works, provide project management to the construction in progress, and carry out the day to day activities required in an operating authority. As a result, insufficient time was available to complete the project design and to allow for the tendering process. This is confirmed by notations on some of the Variation Orders that drawings would follow, often several months later. The independent consultant has concluded that significant savings would likely have been realised had the works been tendered as a complete single package, rather than being constructed as three variations to an existing contract, however inappropriately that contract was interpreted.

The Committee finds it difficult to make relevant recommendations in view of the fact that a project of this magnitude and nature is unlikely to recur. The Authority has changed its procurement practices and policies. Competitive bids are now sought for all projects in accordance with the limits prescribed by Financial and Stores Regulations. The Authority has recently developed an in-house capability to install water main, which should enable future developments to be constructed more economically than by contractor. The Committee was concerned about the apparent conflict of interest which arose as a result of a relationship between the Engineer and a close relative of the contractor's major shareholder. The

relationship was not concealed and seems to have been known to the Member responsible, several senior civil servants and members of the Board. The Committee considers that civil servants and staff of statutory authorities must avoid any situation where their ability to perform duties in an impartial manner might be called into question.

The Committee recommends that:

- (a) The Authority terminates its relationship with Propax
- (b) Consideration be given to preparing a code of ethics for civil servants.
- (c) The Attorney General's Department investigates whether the former Director can be requested to return to the Cayman Islands in order to provide further evidence on those matters raised by the Auditor General in his [1993 and] 1995 Report.

ACKNOWLEDGEMENTS:

The Committee wishes to again place on record its sincere appreciation to:

Mr. Nigel Esdaile, Auditor General; Mr. Kenneth Jefferson, Mrs. Debra Welcome, Audit Managers; and staff, for their thorough and honest assessment of the various operations of the Government, its Departments and Statutory Authorities; Mr. Joel Walton, Deputy Financial Secretary; Mr. Alan Mason, Accountant General and Mrs. Sonia McLaughlin, Chief Accountant; for their assistance and advice to the Committee; to the Witnesses who appeared before the Committee for their co-operation and valuable information offered and the Clerk and her staff for their assistance to the Committee.

In addition, as Chairman of the Committee, I wish to thank the Members for their valuable input for the past four years and the great efforts made to attend meetings of the Committee in order to report to this Honourable House in a timely fashion.

Finally, the Committee wishes to thank the Government for accepting its many recommendations which were put forward in an effort to improve the overall efficiency of the Government.

REPORT OF THE COMMITTEE:

The Committee agrees that this Report shall be the Report of the Standing Public Accounts Committee on the Report of the Auditor General on the Audited Accounts of the Cayman Islands Government for the year ended 31st December, 1995, and laid on the Table of this Honourable House in accordance with the provisions of Standing Order 74(5), under Standing Order 74(9), this Report of the Standing Public Accounts shall be deemed to have been agreed to. Signed:

Mr. John D Jefferson, Jr., MLA - Chairman
Mr. D Dalmain Ebanks, MLA

Mrs. Berna L Murphy, MBE, MLA
Mrs. Edna M Moyle, JP, MLA

Madam Speaker, before I sit down, I would like to move that this Report along with the Report of the Accountant General on the Accounts of the Cayman Islands Government and the Auditor General's Report for the year ended 31st December, 1995 and, the Government Minute be noted and debated immediately after the Government Bills on the Order Paper for today.

The Speaker: The question before the House is that the Report of the Public Accounts Committee together with the Report of the Auditor General and the Government Minute be debated immediately following proceedings on Government Bills.

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

AYES.

The Speaker: The Ayes have it. The motion has been agreed to.

AGREED: THE REPORT OF THE STANDING PUBLIC ACCOUNTS COMMITTEE ON THE REPORT OF THE AUDITOR GENERAL AND THE GOVERNMENT MINUTE BE DEBATED IMMEDIATELY AFTER GOVERNMENT BILLS.

The Speaker: Continuing with the Orders of the day, the Central Planning Authority Annual Report for 1995.

The Honourable Minister for Education and Planning.

CENTRAL PLANNING AUTHORITY ANNUAL REPORT FOR 1995

Hon. Truman M. Bodden: Thank you, Madam Speaker. I beg to lay on the Table of this Honourable House the Cayman Islands Government Central Planning Authority Annual Report, 1995.

The Speaker: So ordered.

Hon. Truman M. Bodden: Thank you, Madam Speaker. As Honourable Members of the Legislative Assembly will be aware, I only assumed responsibility for planning matters including the Development Plan Review, in April 1995 (less than one and a half years ago). The duty and function of the Central Planning Authority as outlined in the Development Planning Law and Regulations (1995 Revision) is to ensure development takes place in a safe and orderly manner, and in compliance with the Law and Planning Regulations. The year 1995 proved to be a year of achievements and setting of records for development in the Cayman Islands with increases in virtually all categories of development.

These increases suggest the confidence in Cayman's economy and translated into an enormous amount of work for the CPA and the Planning Department. During 1995, the number of planning applications increased by 29% over 1994. The Central Planning Authority held 40 meetings for the year and the average number of items for a meeting doubled in comparison to 1994.

Cayman is experiencing rapid economic growth and development. This type of growth mandates an increase in comprehensive land use planning, particularly planning for road corridors, zoning, and environmental considerations. The Central Planning Authority recognised this need and, as a result, area plans are to be produced later this year.

Honourable Members will recall that in 1994 Executive Council decided that it would be more appropriate to make amendments to the existing 1977 Development Plan rather than bringing an entirely new plan. The proposed amendments, including maps showing zone changes, were put on public display from December 1994 to February 1995, which is the legally required 60 day period for comment. The public review period was extended for a further 30 days to March 1995, to allow additional time for objections and representations to be submitted. During the public review period, the Planning Department received 313 objections and representations affecting approximately 500 parcels of land.

In April 1995, I was assigned responsibility for Planning. The Planning Department was at the stage of reviewing the objections and representations, and making reports on each for submission to the CPA. Four planners were assigned to this momentous task and by the end of June 1995, these reports were received by the Central Planning Authority. Over the summer in 1995, the Central Planning Authority prepared reports on the 313 objections and representations made to the proposed amendments to the Development Plan 1977.

By October, 11 copies of the reports were submitted to the Ministry for review by the Appeals Tribunals. Having realised that the single Planning Appeals Tribunal with its five members would not be able to handle the number of objections and representations without holding hearings over many months (with perhaps consecutive days of hearings), I brought a motion and had an amendment to the Development and Planning Law (1995 Revision) passed in the June 1995 meeting of the Legislative Assembly.

This amendment allowed for the appointment of multiple special tribunals to hear objections to the proposed amendments to the Development Plan 1977. This amendment was gazetted on 11th August, 1995.

In late September 1995, nine individuals from the private sector were appointed by Executive Council to the three Special Development Tribunals. The appointments were gazetted in October. The Tribunals were comprised of local businessmen and chaired by lawyers, all of whom were willing to donate their valuable time to sit on these tribunals. I want to publicly express my gratitude to the Chairmen and Chairwoman, Mrs Sherri Bodden, Mr. W.

S. Walker and Mr. C.S. Gill, as well as to the other members of these tribunals.

Also, towards the latter part of 1995, the Building Code Regulations were passed by the Legislative Assembly and workshops on the Building and Plumbing Codes were conducted in October, November, and December, 1995. I want to take this opportunity to thank the Chairman of the Building Code Committee, all the members of the Building Code Committee and the staff of the Building Control Unit of the Planning Department for a job well done.

The implementation of these regulations was unanimously supported by the Society of Caymanian Builders and Contractors, by the Caymanian Contractors Association, and by the Society of Architects, Engineers and Surveyors.

The Sister Islands are included in the Central Planning Authority Report for the second year, and their statistics show considerable growth in the residential, hotel and private sectors. An additional planner has been assigned to augment the planning services offered to Cayman Brac and Little Cayman and to aid in the processing of applications.

The Central Planning Authority has consistently endeavoured to promote development without placing undue stress on existing resources and infrastructure of these islands. My Ministry has worked closely with the Chairman of the Central Planning Authority and with the Planning Department to ensure that the public receive services from the CPA and Department with efficiency and satisfactory customer service. To that end, the department has implemented a number of changes to improve its service quality and increase the efficiency with which planning applications are processed: For example, increasing the number of staff and automating the office. Since 1995, improved computer tracking for up-to-date status reports on all applications is completed weekly by planners and monitored weekly by management. We have reassigned planners by geographical areas taking into account the higher volume of applicants in George Town.

As a result of these and many other initiatives, such as the publication of brochures to help the public complete their applications, and the Central Planning Authority Guidelines which details the CPA's requirements, the first seven months of 1996 have seen the average time in calendar days for the processing of new planning applications reduced by half, as compared to the same period for 1995. More specifically, for 518 applications until 31st July of this year, the overall average number of days for obtaining a CPA decision was 38 days, compared to 80 days for the same period last year. Of these 38 days, 21 days minimum is prescribed by Law to allow for objections and normally objections take 28 days to process.

I must express my sincere appreciation for the diligence and dedication of the Chairman of the Central Planning Authority, Mr. Heber Arch, and all members of the CPA; of the Chairman of the Development and Control Board for the Sisters Islands, Mrs. Julianna

O'Connor, and all members of the Development and Control Board; the Director of Planning, Mr. Carson Ebanks and his entire staff. Together they have done a tremendous job.

In conclusion, I am happy to report that so much has been accomplished in the year and half since I have assumed responsibility for Planning matters. There is still much to be done, and I can assure the House and the public that our efforts are continuing in 1996.

Thank you.

The Speaker: The report of the Standing Select Committee on Standing Orders. The Honourable First Official Member, Chairman of the Committee.

REPORT OF THE STANDING COMMITTEE ON STANDING ORDERS

Hon. James M. Ryan: Thank you, Madam Speaker.

I beg to lay on the Table of this Honourable House the Report of the Standing Orders Committee.

The Speaker: So ordered. Honourable Member.

Hon. James M. Ryan: Madam Speaker, in accordance with the provisions of Standing Order 84(3), the Standing Orders Committee met to consider the amendment of the Legislative Assembly Standing Orders as proposed by Private Member's Motion No. 8/96 which was unanimously referred to the Committee by the Legislative Assembly on the 18th July, 1996.

The Motion reads:

"BE IT RESOLVED, in accordance with the provisions of Standing Order 84 - Amendment of Standing Orders, that the Standing Orders of the Legislative Assembly be amended as set out in the attached draft proposal to provide for a standing Select Committee on Register of Interests."

The motion was moved by Mrs. Edna Moyle, JP, Deputy Speaker, Elected Member for North Side, and seconded by Miss Heather D. Bodden, Third Elected Member for Bodden Town.

MEETING AND MINUTES OF PROCEEDINGS:

The Committee held two meetings: (1) Thursday, 12th September, 1996, and (2) Wednesday, 25th September, 1996 whereat the Committee considered and approved its report.

The Minutes of Proceedings are attached.

ATTENDANCE OF MEMBERS:

Standing Order 75(2) provides that the Standing Orders Committee shall consist of the whole House with the Honourable First Official Member as Chairman.

The attendance of Members is recorded in the attached Minutes of Proceedings.

CONSIDERATION OF PROPOSED AMENDMENT TO STANDING ORDERS

The Committee considered the proposed amendment to Standing Orders as set out in the Motion which reads: "Insertion of new Section 73A:

Register of Interests Committee. 73A. (1) There shall be a Standing Select Committee to be styled the Register of Interests Committee for the consideration of matters relating to the Register of Interests referred to it by the Registrar of Interests.

(2) The Committee shall consist of nine Members including the Chairman. The Chairman shall be nominated or elected in accordance with the provisions of Standing Order 69(2).

(3) The quorum of the Committee shall be five Members including the Chairman.

(4) The Committee shall be appointed at the beginning of a new session following a General Election.

(5) There shall be a Registrar of Interests who shall keep a Register of Interest in accordance with the Register of Interests Law, 1996."

Amendment: The following amendments were proposed: (i) that subparagraph (2) be amended to read: "The Committee shall consist of nine Members including the Chairman who shall be nominated by the House at the beginning of a new session following a General Election."

(ii) that subparagraph (4) be deleted; and

(iii) that subparagraph (5) be renumbered as (4).
The proposed amendments were passed.

RECOMMENDATION OF THE COMMITTEE:

The Committee's recommendation for the proposed amendment to the Standing Orders is as follows: "Insertion of new section 73A:

Register of Interests Committee. 73A. (1) There shall be a Standing Select Committee to be styled the Register of Interests Committee for the consideration of matters relating to the Register of Interests referred to it by the Registrar of Interests.

(2) The Committee shall consist of nine Members including the Chairman who shall be nominated by the House at the beginning of a new Session following a General Election.

(3) The quorum of the Committee shall be five Members including the Chairman.

(4) There shall be a Registrar of Interests who shall keep a Register of Interest in accordance with the Register of Interests Law, 1996.

REPORT OF THE COMMITTEE TO THIS HONOURABLE HOUSE:

The Committee agrees that this report be the Report of the Standing Orders Committee in respect of its meetings held on the 12th and 25th of September, 1996.

Thank you, Madam Speaker.

The Speaker: Do you wish to move that the Committee's report and its recommendations be adopted?

Hon. James M. Ryan: Madam Speaker, I so move.

The Speaker: The question is that the Report of the Select Committee on Standing Orders and the recommendations thereof be adopted.

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

AYES.

The Speaker: The Ayes have it.

AGREED: THE STANDING SELECT COMMITTEE ON STANDING ORDERS ADOPTED.

The Speaker: I think I would be in order to bring to the attention of Members of Committees, etcetera, that no seconder is required for any motion. I hope that this will not occur again. Thank you.

The Civil Aviation Authority of the Cayman Islands Annual Report 1994.

The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

CIVIL AVIATION AUTHORITY OF THE CAYMAN ISLANDS ANNUAL REPORT 1994

Hon. W. McKeeva Bush: Madam Speaker, I beg to lay on the Table of this Honourable House the Annual Report of the Civil Aviation Authority.

The Speaker: So ordered.

Hon. W. McKeeva Bush: Madam Speaker, on behalf of the Minister for Tourism, Aviation and Commerce, under whose responsibility this matter falls, I am pleased to table the Annual Report and Audited Financial Statements of the Civil Aviation Authority of the Cayman Islands for the year ended 31st December, 1994. The statements are self-explanatory and I commend them to this Honourable House.

It is readily admitted that these are somewhat late in being tabled, a situation which was caused by having to agree and settle the financial arrangements between Government and the Authority. I am happy to report to the Honourable House that this has now been done, hence, the Auditor General has been able to issue his Certificate of Audit.

Now that the financial arrangements between Government and the Authority have been agreed, I am also pleased to report that the audit of the accounts for the year ended 31st December, 1995 will begin within a few days and will be available to be laid on the Table of this Honourable House at its next sitting.

Madam Speaker, I have been asked by the Honourable Minister for Tourism, Aviation and Commerce to record his sincere thanks and appreciation to the Auditor General for his support in having these accounts resolved.

The Minister has also asked me to record his thanks and appreciation to the Honourable Financial Secretary; the Permanent Secretary, Tourism, Aviation and Commerce; and the Director of Civil Aviation and his staff for their untiring efforts in having the financial arrangements between Government and the Authority finalised, and, in order to enable his report and financial statements to be laid on the Table this morning.

The Speaker: May I have a motion to suspend Standing Orders so that questions can be dealt with?

The Honourable Minister for Education and Planning.

SUSPENSION OF STANDING ORDER 23 (7) & (8)

Hon. Truman M. Bodden: Madam Speaker, I move that the relevant Standing Order to allow questions to be taken after 11.00 AM be suspended.

The Speaker: The question is that Standing Orders be suspended in order that questions may be dealt with at this time, which is after 11.00 AM.

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

AYES.

The Speaker: The Ayes have it. The Standing Order is accordingly suspended.

AGREED: STANDING ORDER 23 (7) & (8) SUSPENDED.

The Speaker: Question No. 197, standing in the name of the Fourth Elected Member for West Bay.

QUESTIONS TO HONOURABLE MEMBERS/MINISTERS

QUESTION NO. 179

No. 179: Mr. D. Dalmain Ebanks asked the Honourable Minister for Education and Planning what recent improvements have been made to the flight schedule of Cayman Airways Limited to and from Cayman Brac.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Cayman Airways' new schedule, effective October 27, 1996, anticipates the following changes to the Brac schedule:

1) Brac arrivals - Cayman Airways is replacing its existing five late evening arrivals with three early and two late evening arrivals, which will permit better connection times with flights to Tampa, Atlanta, Orlando and Miami on these days.

Cayman Airways is replacing the Wednesday, Thursday and Saturday over-nighting on the Brac, with three early morning arrivals, allowing for easier domestic travel.

Previously, there was a total of six arrivals per week on the Brac. With the new schedule there will be a total of eight arrivals per week.

2) Brac departures - Cayman Airways is presently providing one non-stop service Cayman Brac to Miami on Saturdays only, with the changes CAL will be providing three non-stops to Miami on Wednesday, Thursday and Saturday.

Previously, a total of six departures (five to Grand Cayman and one to Miami), now there will be a total of eight departures (five to Grand Cayman and three to Miami).

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for West Bay.

Mr. D. Dalmain Ebanks: Can the Honourable Minister tell this House if there are any future plans for extending Cayman Airways?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: We hope we will be able to extend Cayman Airways on these schedules when we look at the purchasing of a third aircraft which would give us much more flexibility. I should say, however, that at present our schedule to Cayman Brac is far greater and better than when Cayman Airways had five jets. We have really put out an effort to help Cayman Brac and we will continue to do this.

The Speaker: The next question is No. 180, standing in the name of the Second Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Madam Speaker, I will ask this question with your permission, please, as the Second Elected Member is absent.

The Speaker: Once he has asked you to do that, you certainly may.

Mrs. Berna L. Thompson Murphy: Yes, Madam Speaker.

QUESTION NO. 180

No. 180: Mrs. Berna L. Thompson Murphy asked the Honourable Minister for Education and Planning how often Government reviews the annual subsidy to Cayman Airways Limited.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Cayman Airways Limited (CAL) receives an annual operating subsidy from the Cayman Islands Government equivalent to CI\$4 million.

The Board has taken a decision and informed management that it will not accept an annual budget with a post-subsidy deficit. The effect of this is that CAL is required to operate within the subsidy. This is not to say that the Board accepts this arrangement as an optimal commercial performance and is working very hard on several fronts to increase its profitability.

However, I wish to once again point out to this Honourable House that this CI\$4 million is money from which the Government and the Cayman Islands get something in return. Of this CI\$4 million, Cayman Airways pays approximately CI\$2 million in transfer payments for services from other Government departments and statutory authorities, for example, Civil Aviation Authority, the Immigration Department and the Customs Department. If we consider the cost of operating...

Mr. Roy Bodden: Madam Speaker, on a point of order.

The Speaker: Yes, may I hear the point of order?

POINT OF ORDER

Mr. Roy Bodden: Madam Speaker, in *Erskine May*, on page 295, it states under Oral Answers and Supplementary questions: "An answer should be confined to the points contained in the question."

The Speaker: I did make that point. What particular point are you bearing in mind here?

Mr. Roy Bodden: Thank you, Madam Speaker.

The question asks: How often does Government review the annual subsidy to Cayman Airways Limited? I would have thought the answer would be twice a year, once a year, or something of that nature. Not a doctoral dissertation of this length.

The Speaker: I did bring this to the attention of Members/Ministers a few days ago regarding the length of answers to questions. Normally, the answers should be confined to the questions that have been asked.

Honourable Minister.

Hon. Truman M. Bodden: Madam Speaker, this is relevant because the subsidy is a Government subsidy, and how much of that Cayman Airways keeps and how much the Government gets back is relevant.

The Speaker: Honourable Minister, I would have thought you could have given a much shorter answer than what is before us; this is two pages of an answer.

Hon. Truman M. Bodden: Madam Speaker, surely a Minister has leeway to give a full answer which could avoid excessive supplementaries. This is what I have attempted to do.

The Speaker: But you are taking away the advantage of the Member who is asking the question. The Member asking the question is allowed supplementaries. That is the reason for this. So if you are giving a full answer, then there is nothing else to look forward to in supplementary, which is any Member's right.

In this case, since we are ending this term, please continue, but I would ask that in future (that is tomorrow) that all answers be kept to a minimum. Please continue Honourable Minister.

Hon. Truman M. Bodden: Madam Speaker, perhaps you could tell this Honourable House what the minimum is. Answers which require a reply with a long answer must surely be allowed some flexibility. Surely, this House should not dictate the curtailment of my right to reply fully to a question.

The Speaker: Honourable Minister, I agree with you that Members are entitled to some expansion, but I am sure that you will agree yourself that for the last week the replies have been very long, and unnecessarily so.

I have asked you to please continue, and I hope that tomorrow when other answers are given they will not be as long. Please continue, Honourable Minister.

Hon. Truman M. Bodden: However, I wish to once again point out to the House that this CI\$4 million is money for which the Government and the Cayman Islands get something in return. Of this CI\$4 million, Cayman Airways pays approximately CI\$2 million in transfer payments for services from other Government Departments and Statutory Authorities, for example, Civil Aviation Authority, the Immigration Department and the Customs Department. If we consider the cost of operating the Brac service we would quickly see that the balance of the subsidy of CI\$2 million dollars is used to underwrite the costs of providing reliable jet service to Cayman Brac. Additionally, international passengers pay the same fare to travel to Cayman Brac as they would to travel to Grand Cayman. Cayman Airways does this in an effort to support tourism in the Sister Islands.

Also, Cayman Airways provides free travel to all the Department of Tourism's sales agents and senior management, and generally provides free air travel to the travel agents brought to the island on familiarisation trips by the DOT (Department of Tourism). Again, Cayman Airways provides these services at no charge in an effort to help the DOT with its initiatives to develop our local tour-

ism industry. If Cayman Airways charged the DOT for these services it could earn at least another US\$500,000 per annum.

In the past two years Cayman Airways has operated within the annual subsidy while it has paid off over US\$1 million of debt inherited from the former Government. In the past 12 months, the airline has accumulated over US\$1.1 million in equity in its own 737-200 jet.

Having said all of this Madam Speaker, I would ask this House to bear in mind that the Government's representatives on the Cayman Airways Board, namely the Honourable Attorney-General, the Honourable Financial Secretary, and myself, as Minister with responsibility for Cayman Airways, while not members of the Board have full access to all of CAL's financial data and, in fact, receive all financial reports at the same time that Board members do.

Through our attendance, Government is at all times fully informed and up to date as to Cayman Airways' financial position. Perhaps more importantly, this gives the Government an opportunity to restate to Cayman Airways the need for the airline to minimise its reliance on financial support from the shareholders. However, since CAL has not sought any further financial assistance from the Government since 1994, the Government has not found the need to formally review the annual subsidy because the subsidy is reviewed and assessed on an ongoing basis.

The loan of US\$20 million (CI\$16.7 million) was approved in June 1992, by the former Government, but could not be borrowed by them because their credit reputation and the reputation of Cayman Airways were both so bad at the time. The loan funds were only raised by this Government in 1993. All of the loan went to pay CAL's past debts left by the former Government which totalled some US\$35 million. Not one penny of the US\$20 million was available for this Government and CAL's management to spend. The statement made in the Wednesday, 18th September, edition of the *Caymanian Compass* alleging that this Government spent US\$33.05 million in subsidy to Cayman Airways between 1992 and 1996 was incorrect, and an attempt to mislead the public. To date the total subsidy given to Cayman Airways by this Government is CI\$14 million and not US\$33.05 million as alleged by Mr. Pierson. I call upon Mr. Linford Pierson who made this statement to please correct it and withdraw it publicly.

The Speaker: The next question is No. 181, standing in the name of the First Elected Member for Bodden Town.

QUESTION NO. 181

No. 181: Mr. Roy Bodden asked the Honourable Minister for Education and Planning to state the amount of money paid by Cayman Airways Limited to American Airlines for transporting passengers as a result of overbookings in Jamaica from January 1996 until August, 1996.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Only on very rare occasions, and only to provide premium passenger service, will Cayman Airways Limited transfer oversell passengers to Miami and forward them to Jamaica via another carrier.

During 1996 we had one incident which occurred 8th July, 1996. Seven passengers were carried to Miami and transported on American Airlines. Cayman Airways' round-trip fare charged on these tickets would have been \$217.00, earning \$108.50 one-way. American Airlines carried the passengers and Cayman Airways provided them with a prorated portion of the one-way fare equaling \$59.12 per person which represented the Miami to Kingston portion of the flight. Thus \$413.84 would have been allowed to American Airlines for transporting the seven passengers.

The Speaker: The next question is No. 182, standing in the name of the Third Elected Member for George Town.

QUESTION NO. 182

No. 182: Mrs. Berna L. Thompson Murphy asked the Honourable Minister for Education and Planning what steps are being taken to continue and/or improve on future plans for Cayman Airways Limited.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: As the Honourable House is aware, Cayman Airways Limited is in the best state it has been for many years. Through the vigilant attention of my Ministry and the efforts of an excellent Board and Management, the airline has been positioned so that it can plan more confidently for the future.

The airline has already, with my approval, initiated a policy of owning, rather than leasing, its aircraft. Already, through the purchase of one B737-200 aircraft we have seen the wisdom of this policy bear fruit. In one year we have accumulated over \$1 million in equity in our aircraft and have seen the value rise by \$3 million. It is our intention to pursue the policy of aircraft ownership in a prudent way.

The future plans for Cayman Airways will be determined by the outcome of the Strategic Planning exercise which is presently underway throughout the airline, and involves every staff member from the top to the bottom. This five year plan, which is similar in structure to the five year plan for Education, the five year plan for Health, the five year plan for Drug Abuse, Prevention and Rehabilitation, and the five year plan for Tourism (all of which were laid on the Table of this Honourable House and/or approved by resolution of Honourable Members) should be completed and approved by the Board of Directors of the company by the end of October.

There are two other areas of importance which are also being currently addressed. One is the process of assembling a Marketing Plan which will pull together all the elements of product, pricing, distribution and promotion within the airline, so as to focus the organisation's efforts to enhance the revenue side of its equation. This plan will enable the airline to match its capabilities with opportunities in the marketplace.

Another area which will receive considerable attention in the future is that of staff training. The staff of Cayman Airways are its most important asset. I do not make this claim lightly, or in a patronising way, but rather as a statement of belief which is shared by every member of the Board of Directors of the company.

As evidence of our commitment to the present and future management of Cayman Airways, the airline has signed an agreement with the International Air Transportation Association (IATA), to conduct an ongoing training programme for the staff of Cayman Airways.

Normally, these training courses are conducted in Geneva or Singapore, but IATA has agreed to run the courses for CAL in Cayman and Miami. The training programme will commence in Grand Cayman on 7th October, 1996, with an intensive five day course in Management Skills. This will be followed by a five day course on Airline Finance in November, three Customer Service courses of three days' duration in December and finally, a five day course on Airline Marketing in January 1997. At the end of this stage of the training programme, 120 staff members of Cayman Airways Limited will have received training. A central core of management will attend all of the courses.

It is my belief that through this conservative and prudent philosophy, we can continue to give the people of the Cayman Islands a least-cost National Airline of which they can justifiably be proud. We will have a Flag Carrier operating its aircraft to the highest international standards on the flight deck and in the cabin, maintained by highly skilled mechanics who are subject to ongoing external audit, and managed on the ground by staff at all levels who have received the best available international training to enable them to serve our loyal customers.

The Speaker: That concludes Question Time for today.

We proceed to Government Business. Suspension of Standing Order 46.

Mr. Gilbert A. McLean: Madam Speaker, on a point of procedure.

POINT OF PROCEDURE

The Speaker: The Second Elected Member for Cayman Brac and Little Cayman.

Mr. Gilbert A. McLean: Madam Speaker, it seems inevitable that the House will be ending, I presume tomorrow. I would like to bring to the attention of the Chair that I have submitted various questions (some have been repeated

from as far back as June) which have not been answered nor put on the Order Paper by the Business Committee, while some which are clearly designed to evoke long statements have been. The point that I would like to raise is if the Chair could give some direction on this matter, or has there been any indication to the Chair as to what will happen with these questions - will they fall away or would the number of questions be increased between now and the prorogation of the House?

The Speaker: I can say that I have no idea what will happen to the questions. The Business Committee has been meeting and the Members of that Committee (and you know who they are) have made their decisions on what questions will be answered today and tomorrow. Thereafter the House will be prorogued and I will not be responsible for questions that have not been answered. You should perhaps ask the Chairman and the Members of the Business Committee what they plan to do. That is the best I can tell the Honourable Member - I am sorry about that, but that is the way it is.

Suspension of Standing Order 46. The Honourable Minister for Education and Planning.

SUSPENSION OF STANDING ORDER 46

Hon. Truman M. Boddén: Madam Speaker, I beg to move the suspension of Standing Order 46 to allow for the First Reading of the Development and Planning (Amendment) (Appeal Tribunal) Bill, 1996, and the Elections Law (1995 Revision) (Amendment) (Prohibition of Advertising, etc.) Bill, 1996.

The Speaker: The question is that Standing Order 46 be suspended in order that the two bills be taken through their stages at this sitting.

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

AYES.

The Speaker: The Ayes have it. Standing Order 46 is accordingly suspended.

AGREED: STANDING ORDER 46 SUSPENDED.

The Speaker: First Readings.

BILLS

FIRST READINGS

DEVELOPMENT AND PLANNING (AMENDMENT) (APPEAL TRIBUNAL) BILL, 1996

Clerk: The Development and Planning (Amendment) (Appeal Tribunal) Bill, 1996.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

ELECTIONS LAW (1995 REVISION) (AMENDMENT) (PROHIBITION OF ADVERTISING, ETC.) BILL, 1996

Clerk: The Elections Law (1995 Revision) (Amendment) (Prohibition of Advertising, etc.) Bill, 1996.

The Speaker: The Bill is deemed to have been read a first time and is set down for Second Reading.

The Speaker: Second Readings.

SECOND READINGS

DEVELOPMENT AND PLANNING (AMENDMENT) (APPEAL TRIBUNAL) BILL, 1996

Clerk: The Development and Planning (Amendment) (Appeal Tribunal) Bill, 1996.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddén: Thank you, Madam Speaker.

I beg to move the Second Reading of the Development and Planning (Amendment) (Appeal Tribunal) Bill, 1996.

The Speaker: Do you wish to speak to that Honourable Minister?

Hon. Truman M. Boddén: Madam Speaker, this is a short Bill which, in effect, only increases the number of persons on the Appeals Tribunal under the Development and Planning Law. At present there are five members, for which the quorum is three, and there have been occasions when members were away or sick or have had a conflict of interest and we have not been able to get the necessary quorum.

I am asking that we add a further four members to the Board to give us a panel to choose from. I should say that I introduced a computer programme which gives a tracking record of the appeals, and this has allowed us to clear off many appeals that had been sitting there (some of them for four or five years). We are about up to date on appeals.

I would like to thank the members of the Planning Appeals Tribunals who are businessmen and who take their personal time to listen to what are very complex matters. So the Bill is to increase the amount of members on the Appeals Tribunal.

The Speaker: The question is that a Bill entitled the Development and Planning (Amendment) (Appeal Tribunal) Bill, 1996 be given a Second Reading. The motion is open for debate.

The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Thank you, Madam Speaker.

Perhaps the Minister in his winding up could address the situation, whereby if the number of Board members is increased to seven whether the quorum would remain the same or if the quorum is increased, would we end up creating the same problem which exists now as he has mentioned.

Thank you.

The Speaker: If no other Member wishes to speak, the Honourable Minister might wish to reply.

Hon. Truman M. Bodden: Thank you, Madam Speaker.

I would like to thank the Honourable Member who spoke in support of the Bill. The quorum will remain at three. So this will allow us to have a panel that we can draw from to make it more convenient to members. There is no reason to move it beyond three, in fact, three members is the standard amount that is used not only in the Court of Appeal, but on other appeals tribunals. So I propose to keep it at three, unless the Honourable Member has good cause why the quorum should be increased.

The Speaker: The question is that a Bill entitled the Development and Planning (Amendment) (Appeal Tribunal) Bill, 1996, be given a Second Reading.

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

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given a Second Reading.

AGREED: THE DEVELOPMENT AND PLANNING (AMENDMENT) (APPEAL TRIBUNAL) BILL, 1996 GIVEN A SECOND READING.

ELECTIONS LAW (1995 REVISION) (AMENDMENT) (PROHIBITION OF ADVERTISING, ETC.) BILL, 1996

Clerk: The Elections Law (1995 Revision) (Amendment) (Prohibition of Advertising, etc.) Bill, 1996.

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Madam Speaker, I move the Second Reading of a Bill entitled the Elections Law (1995 Revision) (Amendment) (Prohibition of Advertising, etc.) Bill, 1996.

Madam Speaker, during the last meeting of the Legislative Assembly, a Private Member's Motion was brought to this Honourable House by the Second Elected Member for Cayman Brac and Little Cayman calling for certain amendments to the Elections Law. The resolve section of that motion asked that a Select Committee of Elected Members, with the Honourable Second Official Member as Chairman, be appointed to consider the

amendments to the Elections Law, and that the review be considered before the dissolution of the House, and that the recommendation contained in the Committee's report be put into effect for the 1996 General Elections.

Government accepted the motion and the Select Committee was appointed on 15th July, 1996 upon the passing of the Motion with amendments. At yesterday's sitting of the Legislative Assembly, the Honourable Second Official Member tabled the Report of the Select Committee which reviewed the Elections Law. The Report recommended that three of the recommendations made in the Private Member's Motion be effected before the 1996 General Election. These amendments are as follows:

- i. that the Voters' List in each district be made available to candidates and their agents, inside or outside a Polling Station, and remain in their possession before, during and after the elections;
- ii. that the Elections Law (1995 Revision) be clarified to specifically prohibit any form of advertising for any group or individual on the day of election through any print or electronic media; and
- iii. that the form "Declaration by Amanuensis" be amended in its title to read "Declaration by Person who Assists a Voter."

Madam Speaker, it has been an almost impossible task to have the amendments drafted and moved through the various stages between the adjournment of the House yesterday, and this morning. I would like to express my thanks to the Honourable Second Official Member who assisted me; to the Senior Legislative Counsel who drafted and redrafted the amendments yesterday evening and early this morning; and to my hard working staff in the Portfolio who worked under very trying conditions all yesterday afternoon and late into the evening, as well as early this morning. In addition, I want to take this opportunity to thank you, Madam Speaker and the Clerk for the inclusion of this Bill on today's Order Paper.

In presenting this Bill, I would like to point out that while the first amendment calls for the Register of Voters to be published, and, in particular, that copies be made available for sale to candidates, the Supervisor of Elections has been instructed to provide all candidates with broken copies of the Register of Voters for use by candidates or their polling agents in the individual Polling Station (by that I mean for the convenience of candidates). We will supply the breakdown of the relevant section for use in the various Polling Stations.

Particularly for the listening public, I would like to point out that while polling agents present at Polling Stations will have in their possession a copy of the relevant section of the Register of Voters as it applies to that Polling Station, neither candidates nor their polling agents will

know how a voter has voted. That is very important. I would like, therefore, to assure voters throughout the Cayman Islands that the complete secrecy of the voting procedure has been protected.

The second amendment deals with political advertising in printed or electronic media on polling day. This amendment simply seeks to prohibit this from happening.

Finally, the Elections Law (1995 Revision) is being amended to remove from it that dreadful word "amanuensis" (a word that is hard to spell, hard to pronounce and, in my opinion, not even terribly appropriate). Instead, it is being replaced with the phrase "person who assists a voter", which is what the word *amanuensis* was intended to describe.

I commend this short amending Bill to this Honourable House. Thank you.

The Speaker: The question is that a Bill entitled the Elections Law (1995 Revision) (Amendment) (Prohibition of Advertising, etc.) Bill, 1996 be given a Second Reading.

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

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given a Second Reading.

AGREED: THE ELECTIONS LAW (1995 REVISION) (AMENDMENT) (PROHIBITION OF ADVERTISING, ETC.) BILL, 1996, GIVEN A SECOND READING.

The Chairman: The House will now go into Committee to consider the two Bills.

HOUSE IN COMMITTEE - 4.08 PM

COMMITTEE ON BILLS

The Chairman: Please be seated.

The House is in Committee to consider the two bills. The first is the Development and Planning (Amendment) (Appeal Tribunal) Bill, 1996. The Clerk will read the clauses.

DEVELOPMENT AND PLANNING (AMENDMENT) (APPEAL TRIBUNAL) BILL, 1996

Clerk: Clause 1 - Short title.
Clause 2 - Amendment of section 41(1).

The Chairman: The question is that clauses 1 and 2 stand part of the Bill. If there is no debate, I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it. Clauses 1 and 2 passed.

AGREED: CLAUSES 1 AND 2 PASSED.

Clerk: A Bill for a Law to Amend the Development and Planning Law (1995 Revision).

The Chairman: The question is that the title do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it. The title is accordingly passed.

AGREED: TITLE PASSED.

ELECTIONS LAW (1995 REVISION) (AMENDMENT) (PROHIBITION OF ADVERTISING, ETC.) BILL, 1996.

The Chairman: The next Bill is the Elections Law (1995 Revision) (Amendment) (Prohibition of Advertising, etc.) Bill, 1996.

Clerk: Clause 1 - Short title.
Clause 2 - Amendment to the principal Law.

The Chairman: The question is that clauses 1 and 2 do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED: CLAUSES 1 AND 2 PASSED.

Clerk: The Schedule.

The Chairman: The question is that the Schedule do stand part of the Bill.

Hon. James M. Ryan: Madam Chairman, I gave notice of an amendment at Committee stage.

The Chairman: Insufficient notice, of course, which requires my approval to waive the two days required. I give approval.

Hon. James M. Ryan: Thank you, Madam Chairman.

The amendment is to section 4 (73)(i) which is amended by repealing "and shall not communicate, except for some purpose authorised by law, to any person any information as to the name or number on the list of

voters, of any voter who has or has not applied for a ballot paper or voted at that polling station.”.

The Chairman: Members have been circulated with a copy of the proposed amendment and it comes under the Schedule, immediately after clause 3. The question is that the amendment be made to the Schedule.

The Member for North Side.

Mrs. Edna M. Moyle: Madam Chairman, thank you. For clarity, I wonder if the Honourable Member could say if the deletion of these words will achieve what the Committee has recommended, because the beginning of this paragraph refers to every election officer and every agent.

The Chairman: The Honourable First Official Member.

Hon. James M. Ryan: Madam Chairman, I am advised by the Senior Legislative Counsel that this will in fact, accomplish what Honourable Members wish to achieve.

The Chairman: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: Madam Chairman, I believe that this is the right thing to do because, in my opinion, election after election since that provision was put in the Law, the democratic process has been hampered in that a candidate could not even discuss matters relating to the Voters' List with their agents. Surely, if the Law makes provision for an agent to assist in the electoral process, then that person who is involved as a candidate should be at liberty to discuss matters pertaining to him when that person appoints an agent. So it is something that I am very happy to see, because it is something that I believe was a travesty of justice and hampered the democratic process.

Thank you, Madam Chairman.

The Chairman: If there is no further debate, I shall put the question that the amendment as set out be made to the Schedule.

Do you wish to say something Third Elected Member for George Town?

Mrs. Berna L. Thompson Murphy: Yes, Madam Chairman, I have a short question on section 17 (4) which says that “copies may be sold to candidates by the Supervisor at such prices he may decide...” I am wondering if the Supervisor is going to sell it for \$1.00 or is he going to arrive at a cost before, and who would determine the cost?

The Chairman: Honourable First Official Member.

Hon. James M. Ryan: Madam Chairman, I alluded to this in the presentation of the Bill. The Supervisor of Elec-

tions has already been instructed to provide all candidates with sufficient copies of the breakdown of the Voters' List to take care of their needs within the Polling Stations.

If candidates wish to buy additional copies, the price will be set after discussion with the Governor and myself.

The Chairman: The question is that the amendment as proposed be made to the Schedule.

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

AYES.

The Chairman: The Ayes have it.

AGREED: AMENDMENT TO SCHEDULE PASSED.

The Chairman: The question now is that the Schedule as amended do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED: THE SCHEDULE AS AMENDED PASSED.

Clerk: A Bill for a Law to Amend the Elections Law (1995 Revision).

The Chairman: The question is that the title do stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

AGREED: THE TITLE PASSED.

The Chairman: That concludes proceedings in Committee on the two Bills. The question is that the Committee do now report. Those in favour please say Aye...Those against No.

AYES.

The Chairman: The Ayes have it.

AGREED: THE COMMITTEE TO REPORT TO THE HOUSE.

HOUSE RESUMED - 4.17 PM

The Speaker: The House has resumed. Please be seated. Reports on Bills. The Honourable Minister for Education and Planning.

REPORTS

DEVELOPMENT AND PLANNING (AMENDMENT) (APPEAL TRIBUNAL) BILL, 1996

Hon. Truman M. Bodden: Madam Speaker, I have to report that a Bill entitled the Development and Planning (Amendment) (Appeal Tribunal) Bill, 1996, was considered by a Committee of the whole House and passed without amendment.

The Speaker: The Bill is accordingly set down for Third Reading. The Honourable First Official Member.

ELECTIONS LAW (1995 REVISION) (AMENDMENT) (PROHIBITION OF ADVERTISING, ETC.) BILL, 1996

Hon. James M. Ryan: Madam Speaker, I have to report that a Bill entitled the Elections Law (1995 Revision) (Amendment) (Prohibition of Advertising, etc.) Bill, 1996, was considered by a Committee of the whole House and passed with one amendment.

The Speaker: The Bill is accordingly set down for Third Reading.

As was agreed by the House this morning, after the completion of the stages of the Bills the Report of the Public Accounts Committee together with the Auditor General's Report on the Financial Statement of the Cayman Islands Government and the Government Minutes would be debated.

The motion is now opened for debate.

Mr. John D. Jefferson, Jr: Madam Speaker, on a point of procedure, do I have to get up and move the motion again?

The Speaker: You have presented the Committee's Report and at the end you would reply to any debate that would follow on it. Unless you had something else to offer.

Mr. John D. Jefferson, Jr: Thank you, Madam Speaker.

The Speaker: As I have said, now is the time for the debate on the Report of the Public Accounts Committee.
[pause]

The First Elected Member for Bodden Town.

PRESENTATION OF PAPERS AND REPORTS

DEBATE ON THE REPORT OF THE STANDING PUBLIC ACCOUNTS COMMITTEE ON THE REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF THE GOVERNMENT OF THE CAYMAN ISLANDS FOR THE YEAR ENDED 31ST

DECEMBER, 1995, TOGETHER WITH THE GOVERNMENT MINUTE

Mr. Roy Bodden: Madam Speaker, I wish to preface my debate on the Public Accounts Committee's Report with an observation. I was astounded this morning to witness the Government Minute being read prior to the reading of the Public Accounts Committee's Report. In my opinion, that was a complete twisting and perversion of the procedure...

Hon. Truman M. Bodden: Madam Speaker, on a point of order.

The Speaker: Honourable Minister for Education and Planning, may I hear your point of order?

POINT OF ORDER

Hon. Truman M. Bodden: Thank you, Madam Speaker. The Honourable Member is alleging that this Honourable House, in your presence, twisted the procedure of this House. I would recommend that he withdraw that strong remark.

The Speaker: The First Elected Member for Bodden Town, would you please expand and explain your comment?

Mr. Roy Bodden: Madam Speaker, with your permission I would like to read from our Standing Orders - Legislative Assembly Standing Orders (Revised). "**Standing Select Committees**" order 74(7): "**The Government Minute shall be laid on the Table of the House within three months of the laying of the report of the Committee and of the report of the Auditor General to which it relates.**"

The Speaker: Honourable Member, I understand your point to be that which has been the normal procedure in a Session, which would continue. I discussed this with the Leader of Government Business and we agreed that the Government Minute should be put down. If the Report of the Public Accounts Committee was going to be debated before the Government Minute was laid, that would not have worked out very well; there would be two debates. In order that there could be a debate which would be inclusive of the Reports, I gave permission for them to be put down in this order.

First Elected Member for Bodden Town, do you want to continue?

Mr. Roy Bodden: Certainly, Madam Speaker. I have to record that it is slightly unusual, and perhaps would have been more palatable had we, Members of lesser gods (like myself), had some inclination of that procedure.

Hon. W. McKeeva Bush: Madam Speaker, on a point of order.

The Speaker: The Honourable Minister for Community Development, Sports, Women's and Youth Affairs and Culture, may I hear the point of order?

POINT OF ORDER

Hon. W. McKeever Bush: Madam Speaker, I understand your explanation on the reason for the procedure this morning, but in regard to our Standing Orders, I do not think that you, the House, or anyone making up the Order Paper, did anything wrong. Perhaps I can be put straight on this matter, but what Standing Order 74(7) is saying is that "the Government Minute shall be laid on the Table of the House within three months of the laying of the report of the Committee and of the report of the Auditor General." I thought that we were relating it to the Auditor General's Report as the Temporary Third Official Member laid that report, he then proceeded to lay the Government Minute.

The Speaker: That is correct, sir. But I do not think we need to go into it any further. I have made the point and it is *fait accompli* now. What we need is a debate on those reports. Can we proceed, First Elected Member for Bodden Town?

Mr. Roy Bodden: Thank you, Madam Speaker.

I have only a few brief comments on matters raised by the Public Accounts Committee in its report. The first such matter is found on page 10, section 7, "Tourist Accommodation Tax". I join with those who expressed concern about these arrears and the failure to have these matters satisfactorily resolved.

The Public Accounts Committee Report laments the fact that these arrears, certainly in the case of the Ramada Treasure Islands Resort, have to be written off. Significantly, the sum as quoted in this report is almost \$1 million. Additionally, there is the question as to what happened in the case of Hospitality World Limited which subsequently changed its name to "Cayman Condo Holidays Limited." Again, I have to express concern, as indicated by the PAC in their report, and I have to share their sentiment also, that there may in this case be a question of fraudulent trading.

The point I wish to underscore, however, is that at a time when we are talking about collecting arrears from private individuals who owe fees for hospitalisation, medical attention and garbage collection, and are pursuing these people by the implementation of a Debt Collection Unit, for years we have let these entities and organisations get away owing us hundreds of thousands of dollars - in the case of Cayman Condo Holidays Limited, which had the audacity to issue self-declared bankruptcy in our face. We have to be careful that we are not setting a double standard in using the Debt Collection Unit to pursue our people (who may experience legitimate hardships in trying to settle their outstanding hospital and garbage fees) and be sure that we are not squeezing them while

allowing large organisations to flaunt and seemingly make a mockery of our system by non payment of taxes.

Madam Speaker, during my tenure as chairman of the Public Accounts Committee, on numerous occasions I remarked about the importance of collecting these monies. My sentiments were shared by all Honourable Members of this House. I have to say that I view this non-payment as a serious breach, and an affront to the Government and Parliament of this country. The reason being, in the case of Tourist Accommodation Tax, that these are monies which were specifically collected for Government purposes by these organisations and not delivered to the Government.

I need not remind this Honourable House and the Chair, that in any other jurisdiction this would be one of the most serious offences an entity or individual could commit. They have collected monies which are supposed to be for the Government, and those monies do not wind up in the Government's coffers or Treasury. In other jurisdictions, believe you me, the jail would be erected upon someone or an organisation for that offence.

MOMENT OF INTERRUPTION - 4.30 PM

The Speaker: Honourable Member, it is now 4.30 PM. Do you wish to continue?

Mr. Roy Bodden: Certainly, Madam Speaker.

The Speaker: Would someone move a motion to that effect?

The Honourable Minister for Education and Planning.

MOTION TO SUSPEND STANDING ORDER 10(2)

Hon. Truman M. Bodden: Madam Speaker, I had hoped during the break to consult informally... are you asking...

The Speaker: When I asked for the motion to continue, you stood up. The First Elected Member for Bodden Town said he would continue. I will take the first motion that comes.

Hon. Truman M. Bodden: I would move that the House continue until the Honourable Member completes his debate.

The Speaker: The motion is that the House should continue beyond 4.30 PM, until the conclusion of the debate by the First Elected Member for Bodden Town.

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

AYES.

The Speaker: The Ayes have it.

AGREED: STANDING ORDER 10(2) SUSPENDED TO ENABLE THE HOUSE TO SIT BEYOND 4.30 UNTIL THE CONCLUSION OF THE DEBATE BY THE FIRST ELECTED MEMBER OF BODDEN TOWN.

The Speaker: Would you continue?

Mr. Roy Bodden: Thank you, Madam Speaker.

I hope it is not the case that these two entities mentioned in the PAC report have flaunted their contempt for the Government at an opportune time since Parliament will soon be dissolved, and we will be entering into a period of elections. I hope that the new Government, when it takes office, will regard this as a serious affront and will pursue these entities with the full vigour and energy of a vibrant and perceptive government.

The next item follows on page 11 section 8, and deals with the Cayman Islands Marine Institute (CIMI). There were a few things in the PAC report that attracted my attention. I would like to read from section 8 and extrapolate what I consider to be the relevant sections for purposes of brevity. In this section, the report talks about the Institute and some of its objectives and programmes. It says: **"The programme provides six residential and 25 day places. To date five students have graduated from the programme."** I note that in the subsequent section the PAC report says: **"The Committee was delighted to note that the number of juvenile convictions has fallen significantly since the inception of this programme, from 335 in 1992 to 115 in 1995. Although other factors may be involved, the Committee is certain that the reduction in juvenile crime is attributable, at least in part, to the CIMI programme."** The point I wish to make is that I cannot see how the fall in juvenile convictions could be attributable to the CIMI programme if the programme provides only for six residential students and 25 day places.

I make the comment to say that perhaps the observation in this case is much exaggerated and a little over optimistic for a fall of 335 in 1992 to 115 in 1995. If there was a direct connection, I would think that the enrolment would be much higher than it is at CIMI. I am just questioning the logic of that conclusion.

I wish also to point out that on page 12 the report mentions that the **"CIMI does not provide an educational programme comparable with the present school system."** It makes the point that it is imperative that we do all that is within our powers to have the educational programme comparable with the present school system. I think it is one of the objectives of the CIMI to have those students integrated into the regular school system where appropriate. Not having a comparable system means that those students who are registered are at a distinct disadvantage even when they graduate, because their standards of matriculation will not be comparable to those in the regular school system. Hence, it may prove problematic to have employers readily accept them.

This, I concede, is a weakness, but it is not an impossibility. Perhaps we should take it as a challenge in the next academic year or at the earliest possible time, to have it be one of the objectives of the development of the CIMI to bring the programme offered there up to a comparable standard so that we can have lateral transferral of students from the CIMI programme into our regular school programme.

Madam Speaker, those are the only two points I wish to make. At this time I would like to commend the Members of the Public Accounts Committee, as I appreciate the time and effort it takes to prepare a report. I would end on the note that I hope the Government takes the recommendations and the suggestions made in the report seriously.

Thank you.

The Speaker: Is there a motion for the adjournment at this time? The Honourable Minister for Education and Planning.

ADJOURNMENT

Hon. Truman M. Bodden: Madam Speaker, I move the adjournment of this Honourable House until tomorrow morning, upon the termination of the Finance Committee meeting, which we hope will be at 10 o'clock. I understand you had been notified of this.

The Speaker: The question is that the House should adjourn and resume tomorrow morning at the conclusion of the meeting of Finance Committee.

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

AYES.

The Speaker: The Ayes have it. The House is accordingly adjourned until tomorrow morning at the conclusion of the meeting of the Finance Committee.

AT 4.39 PM THE HOUSE STOOD ADJOURNED UNTIL FRIDAY, 27TH SEPTEMBER, 1996, UPON THE CONCLUSION OF THE MEETING OF FINANCE COMMITTEE.

**EDITED
FRIDAY
27TH SEPTEMBER, 1996
1:24 PM**

The Speaker: I will ask the Honourable Temporary Third Official Member responsible for Finance and Development to say prayers.

PRAYERS

Hon. Joel Walton: Let us Pray.

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

Bless our Sovereign Lady Queen Elizabeth II, 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 Speaker of the Legislative Assembly, Official Members and Ministers of Executive Council and Members of the Legislative Assembly that we may be enabled faithfully to perform the responsible duties of our high office.

All this we ask for Thy Great Name's sake.

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 the light of His countenance upon us and give us peace now and always. Amen.

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

APOLOGY

The Speaker: First, I have an apology from the Hon. Minister for Health for absence of today's sitting.

Presentation of Papers and Reports. The Fourth and Final Report of the Standing Select Committee (of the whole House) to Review a Register of Interests for the Legislative Assembly and a Code of Ethics and Conduct for Legislators

The Elected Member for North Side, Chairman of the Select Committee.

PRESENTATION OF PAPERS AND REPORTS

FOURTH AND FINAL REPORT OF THE STANDING SELECT COMMITTEE (OF THE WHOLE HOUSE) TO REVIEW A REGISTER OF INTERESTS FOR THE LEGISLATIVE ASSEMBLY AND A CODE OF ETHICS AND CONDUCT FOR LEGISLATORS

Mrs. Edna M. Moyle: In accordance with the provisions of Standing Order 72(5), I beg to lay on the Table of this Honourable House, the Fourth and Final Report of the Standing Select Committee (of the whole House) to Review a Register of Interests for the Legislative Assembly and a Code of Ethics and Conduct for Legislators.

The Speaker: So ordered. Please continue.

Mrs. Edna M. Moyle: "The Standing Select Committee (of the whole House) to Review a Register of Interests for the Legislative Assembly and a Code of Ethics and Conduct for Legislators was established on the 9th day of June, 1994, upon the passing of Private Member's Motion No. 11 of 1994.

On the 7th day of December, 1994, the Legislature passed Private Member's Motion No. 29/94 entitled Code of Ethics and Conduct for Legislators. The Motion resolved that the "House refers the matter of legislation for a Code of Ethics and Conduct for Legislators to the Select Committee reviewing a Register of Interests for consideration as 'companion' legislation.". With the passing of both these Motions, the Select Committee's terms of reference were to make recommendations to this Honourable House in regard to both a Register of Interests and a Code of Ethics and Conduct for Legislators.

MEMBERS OF THE COMMITTEE:

The Members of this Committee comprised all Members of the Legislative Assembly.

CHAIRMAN OF THE COMMITTEE:

In accordance with the provisions of Standing Order 69(2), the Honourable Speaker nominated the Elected Member for North Side, Mrs Edna M Moyle, JP, to be the Chairman.

MEETINGS, MINUTES OF PROCEEDINGS AND NOTES ON DISCUSSIONS:

The Committee held fifteen meetings:

- 20th of July, 1994
- 25th of August, 1994
- 7th of December, 1994
- 13th of April, 1995

- 10th of May, 1995
- 21st of September, 1995
- 30th of October, 1995
- 27th November, 1995
- 25th March, 1996
- 1st April, 1996
- 8th May, 1996
- 31st May, 1996
- 25th June, 1996
- 12th July, 1996
- 25th September, 1996.

The Committee also held four informal meetings in the absence of a quorum. These took place on the 10th and 24th of August, 1995, the 29th of April and the 16th of September, 1996.

INTERIM REPORTS:

In accordance with the provisions of Standing Order 72(1), the Committee tabled in this Honourable House three Interim Reports which are attached.

RECOMMENDATIONS FOR A REGISTER OF INTERESTS BILL:

On 11th July, 1996, the Committee laid its Third Interim Report on the table of this Honourable House recommending that a Bill to give effect to section 53A of the Cayman Islands (Constitution) Order, 1972, be passed (a copy of the proposed Register of Interests Bill was attached to the Report). The bill was presented to the House and passed on the 18th day of July, 1996.

An Errata to the Third Interim Report, recommending a Register for journalists, was laid on the Table of this House on 12th July, 1996.

The Committee also recommended to this Honourable House that the Legislative Assembly Standing Orders (Revised) be amended to make provision for the establishment of a Standing Select Committee on the Register of Interests.

RECOMMENDATIONS FOR A CODE OF CONDUCT AND ETHICS FOR MEMBERS OF THE LEGISLATIVE ASSEMBLY:

In the time available, the Committee was not able to form a Code of Ethics and Conduct for Legislators in accordance with the provisions of Private Member's Motion No. 29/94, but recommends that the following Code be used as a guideline to highlight matters that need to be addressed:

GUIDELINES FOR A CODE OF CONDUCT FOR MEMBERS OF THE LEGISLATIVE ASSEMBLY:

It is the personal responsibility of every Member of the Legislative Assembly to maintain those standards of conduct which the House and the electorate are entitled to expect, to protect the good name of the Legislative Assembly and to advance the public interest. Members should observe the general principles of conduct which apply to all people in public life. They are:

Selflessness: Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

Integrity: Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

Objectivity: In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards or benefits, holders of public office should make choices on merit.

Accountability: Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

Openness: Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

Honesty: Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership: Holders of public office should promote and support these principles by leadership and example.

The primary duty of Members is to their country and their constituents. They should undertake no actions in the Legislative Assembly or Government which conflict with that duty. Because Members of the Legislative Assembly enjoy certain privileges in law, which exist to enable them to fulfil their responsibilities to the citizens they represent, each Member has a particular responsibility to comply fully with all resolutions and conventions of the House relating to matters of conduct and, when in doubt, to seek advice.

FINANCIAL INTERESTS:

A Member must not promote any matter in the Legislative Assembly or the Executive Council in return for payment.

A Member who has a financial interest, direct or indirect, must declare that interest in the currently approved manner when speaking in the House or in Committee, or otherwise taking part in legislative or governmental proceedings, or approaching Ministers, Civil Servants or public bodies on a matter connected with that interest.

Where, in the pursuit of a Member's legislative or governmental duties, the existence of a personal financial interest is likely to give rise to a conflict with the public interest, the Member has a personal responsibility to re-

solve that conflict either by disposing of the interest or by standing aside from the public business in question.

In any dealings with or on behalf of an organisation with whom a financial relationship exists, a Member must always bear in mind the overriding responsibility which exists to constituents and to the national interest. This is particularly important in respect of activities which may not be a matter of public record, such as informal meetings and functions.

Registration of interests under the Register of Interests Law, 1996, does not absolve the Member from the requirement to declare his interest at the appropriate time during a debate. The Register of Interests requires registration of:

- Directorship
- Remunerated employment, office or professional practice
- The provision of services depending upon, or arising from, the membership of the Legislative Assembly
- Pre- or post-election sponsorship
- All gifts above a stated value, whether from abroad or otherwise
- Subsidised overseas' visits
- Ownership of land (apart from the Member's home)
- Shareholdings above a stated value.

In fulfilling the requirements on declaration and registration of interests and remuneration, a Member must have regard to the purpose of those requirements and must comply fully with them, both in letter and spirit.

REPORT OF THE SELECT COMMITTEE TO THE LEGISLATURE:

The Select Committee agrees that this Report be the fourth and final report of the Select Committee to this Honourable House."

Under the same Standing Order, I move that the recommendations as contained in this report to be used as a guideline be adopted by this Honourable House.

The Speaker: Is that motion seconded? The Third Elected Member for Bodden Town.

Miss Heather D. Bodden: Thank you, Madam Speaker. I second the motion.

The Speaker: The motion having been duly moved and seconded is that the recommendations be accepted. If there is no debate, I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The Committee's Report and its recommendations have been accepted.

AGREED: THE RECOMMENDATIONS CONTAINED IN THE REPORT OF THE STANDING SELECT COMMITTEE TO REVIEW A REGISTER OF INTERESTS FOR THE LEGISLATIVE ASSEMBLY AND A CODE OF

ETHICS AND CONDUCT FOR LEGISLATORS ACCEPTED.

The Speaker: Report of the Standing House Committee. Member for North Side, Chairman of the Committee.

REPORT OF THE STANDING HOUSE COMMITTEE

Mrs. Edna M. Moyle: I beg leave of the House to defer tabling the Report until later on in the sitting in order for the Committee to meet and accept the Report.

The Speaker: Is there a seconder for that?

Hon. Truman M. Bodden: I second that motion, Madam Speaker.

The Speaker: The motion having been duly moved and seconded is open for debate. If there is no debate, I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it. The Committee's Report is accordingly deferred.

AGREED: COMMITTEE'S REPORT DEFERRED.

The Speaker: Third and Final Report of the Standing Select Committee of Elected Members to study the Fundamental Rights Clause of the Constitution Motion No. 4/93.

The Honourable Minister for Education and Planning.

THIRD AND FINAL REPORT OF THE STANDING SELECT COMMITTEE OF ELECTED MEMBERS TO STUDY THE FUNDAMENTAL RIGHTS CLAUSE OF THE CONSTITUTION MOTION NO. 4/93

(Deferred)

Hon. Truman M. Bodden: The report has not yet been finalised. We still have to have one further short meeting. I seek leave of the House to defer tabling the Report until later on in the sitting.

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

AYES.

The Speaker: The Ayes have it. The Committee's Report is accordingly deferred.

AGREED: COMMITTEE'S REPORT DEFERRED.

The Speaker: Report of the Standing Finance Committee for the meeting held on Wednesday, 27th December, 1995.

The Honourable Temporary Third Official Member responsible for Finance and Development.

**REPORT OF THE STANDING FINANCE COMMITTEE
Meeting held on Wednesday, 27th December, 1995**

Hon. Joel Walton: I beg to lay on the Table Report of the Standing Finance Committee for the meeting held on Wednesday, 27th December, 1995.

The Speaker: So ordered. Do you wish to speak to it?

Hon. Joel Walton: No, Madam Speaker.

The Speaker: The Report of the Standing Finance Committee for the meeting held on Monday, 13th May, 1996.

The Honourable Temporary Third Official Member responsible for Finance and Development.

**REPORT OF THE STANDING FINANCE COMMITTEE
Meeting held on Monday, 13th May, 1996**

Hon. Joel Walton: I beg to lay on the Table the Report of the Standing Finance Committee for the meeting held on Monday, 13th May, 1996.

The Speaker: So ordered. Do you wish to speak to it?

Hon. Joel Walton: No, Madam Speaker.

The Speaker: The next item is the Financial Statement of Cayman Airways Limited for the year ending 31st December, 1995.

The Honourable Minister for Education and Planning.

CAYMAN AIRWAYS LIMITED'S FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST DECEMBER, 1995

Hon. Truman M. Boddan: I beg to lay on the Table of this Honourable House the Financial Statement of Cayman Airways Limited for the year ending 31st December, 1995.

The Speaker: So ordered. Honourable Minister.

Hon. Truman M. Boddan: Thank you, Madam Speaker.

The fact that Cayman Airways has made a comeback from a period of crippling debt and a grandiose over expansion with five expensive aircraft, is a tribute first of all to this Government, to the former Managing Director, Mr. Ray Wilson, the General Manager, Mr. Mike Adams, and to the Board of Directors under the Chairmanship of Mr. Leonard Ebanks.

I cannot let this occasion pass without thanking the hardworking staff of our national airline for their efforts in helping to turn Cayman Airways around. The staff of Cay-

man Airways Ltd. are also to be commended for their unwavering dedication to the airline throughout the last three and a half years.

The year ending 1995 was a challenging one. As the accounts will reflect, Cayman Airways Ltd. managed to hold its own in the face of aggressive competition. Unfortunately, the year ended with an operating loss of US\$1.1 million after subsidy. The loss can be almost entirely attributed to several unusual events which are not part of normal annual operations. For example, in 1995 the leases on both of our aircraft expired within months of each other. Returning aircraft at the end of a lease is expensive and in 1995 Cayman Airways Ltd. incurred costs of \$561,023 associated with returning the two Boeing 737-200s - one on lease from GPA and the other from ILFC.

These costs include the cost of one C-Check and the higher end expenses of covering our own schedule until the aircraft under the new lease was put into operation. Unfortunately, Cayman Airways Ltd. also suffered two major bird strikes at Owen Roberts International Airport in the last half of 1995, one in July and one in November. A bird strike can cause severe engine damage. In our case Cayman Airways Ltd. incurred over \$300,000 in costs resulting from the two bird strikes.

Although Cayman Airways Ltd. made a profit of \$1,568,473 after subsidy in 1994, due to the unusual expenses of over US\$800,000, Cayman Airways Ltd. took a loss of \$1,181,240 in 1995. However, Cayman Airways Ltd. made a profit of US\$937,038 for the first seven months of 1996. Therefore, from 1994 to 31st July, 1996, Cayman Airways Ltd. (after subsidy) overall position is a profit of \$1,324,271.

All of this has taken place while Cayman Airways Ltd. has paid off over US\$1 million of the remaining debt left by the former Government, and has built up over US\$1.1 million in equity in the Boeing 737-200 aircraft purchased by Government.

We purchased the aircraft from Citicorp for just over US\$5 million in August 1995. This aircraft now has a market value of approximately \$7 million. Therefore, Government has a profit of almost \$3 million already in it.

I explained some time ago that the jet being purchased vests in a leasing company that is wholly owned by Government. Therefore, the \$3 million that I could have added to the \$1.3 million remains with Government. However, for legal reasons the leasing company had to be used to protect the asset of the jet.

Contrast the disaster of selling the 737-200 jets which carried one-third more passengers and which would have been fully owned in 1994 with no further loan payments which were sold in 1989 and labelled a "good deal" by Mr. Linford Pierson. Such disastrous actions and waste of public funds must never again be allowed.

This year the annual Government subsidy of Cayman Airways Ltd. has been raised several times. I wish to reiterate that since 1993 the Government has given the national carrier an annual subsidy of \$4 million. Cayman Airways Ltd. gives back to Government over CI\$2 million of the annual subsidy in transfer payments to other Gov-

ernment departments such as the Civil Aviation Authority and the remaining \$2 million is used in large part to underwrite the cost of providing jet service to Cayman Brac.

Cayman Airways Ltd. remains current with all of its bills and is normally about \$1.5 million to \$2 million below its approved overdraft limit. In short Cayman Airways Ltd. is paying its way for the first time in nearly a decade.

I would like to remind this House of the position Cayman Airways Ltd. holds in our Islands' life and economy. The Government acknowledges the important role of the national flag carrier as a vital element of local infrastructure; and as a main platform of the tourism industry it is a vital link between Cayman Brac and Grand Cayman and it links all three islands to the rest of the world.

I am pleased to announce that the special sale on fares currently being offered by Cayman Airways Ltd. also applies to travel originating in Cayman Brac. I would like to thank the Honourable First Elected Member for Cayman Brac for aggressively pursuing this and bringing it to fruition.

As I have stated repeatedly, Government is committed to ensuring safe, reliable and efficient air transport to, from and within the Cayman Islands. Underscoring all of this is the Board of Directors' and the share-holders' cognisance of the need for Cayman Airways Ltd. to be financially viable.

As this House is aware, Cayman Airways Ltd. is working very hard to improve its overall performance. Most notably through Cayman Airways Ltd.-21, a staff-led strategic planning exercise commissioned by the Board earlier this year. This exercise will empower staff to chart the airline's future to ensure that it continues to be competitive in the long run.

Under our five year strategic plan, work is underway to developing a comprehensive marketing plan for the airline. Cayman Airways Ltd. has contracted the service of the International Air Transport Association and in just a few weeks, the airline will launch a full scale management training programme and conduct three customer service workshops with staff. This training will take place at the Community College of the Cayman Islands and will involve 120 staff members in its first phase.

I am confident that Cayman Airways Ltd. is entering a new period in its history, a time when Cayman Airways Ltd. is going forward with a new commitment to building on the solid accomplishments of the past three years and planning with an increased sense of optimism for a bright future.

While we can never predict the airline business with any degree of certainty, we are already reaping the benefits of our efforts. As at end of July 1996, Cayman Airways Ltd. has earned a profit (after subsidy) of \$937,038.

Those of us who have been involved in politics in recent years cannot help but notice the way Cayman Airways Ltd. has stopped being a divisive political issue. When I took over from the previous Government the airline had been constantly in the news, and quite rightly, because the airline was headed for liquidation. Contrast that situation in the early 1990s when Cayman Airways Ltd. lost over US\$14 million in one year alone, with the

past four years and it is obvious that the airline has rarely been in the news and when it has, it has been for positive media coverage.

In 1992 no bank in George Town would lend money to Cayman Airways Ltd. or to the Government for Cayman Airways Ltd.. Today, because of prudent leadership and improved performance, Cayman Airways Ltd. can now obtain bank loans, leasing arrangements and financing arrangements with favourable terms.

I have tried, wherever possible, to make the airline's operation more open than ever before. It has been opened up for critical examination. It has answered its questions fully, I should say too fully, perhaps, and promptly. Perhaps most importantly, it has restored its reputation in international aviation community, as well as in the local financial industry.

I believe that my 27 years' experience as a lawyer, 21 years experience in banking and as a bank director, with God's help and the Board and Ministry's staff, I have had the ability to guide Cayman Airways Ltd. back to a stable and sensible financial position.

Finally, let me say that our national airline must not be taken for granted. It needs constant attention by skilled experts. Before I spend the public's money I ask myself, If this were my money would I spend it? I believe in accountability to the public, I believe I must be very careful when dealing with the public's money to ensure that the public gets the best value for each dollar spent. My experience has taught me to be cautious. Cayman Airways Ltd.'s survival depends heavily on conservative and cautious handling of its finances. In the wrong hands it could swiftly regress to the bad old days and bankruptcy.

Cayman Airways Ltd.'s future, and who will be the Minister for Cayman Airways Ltd., is in the hands of the electorate in 1996. I have faith they will vote wisely.

In conclusion, I am happy to report that Cayman Airways Ltd. continues in its very important role as the national flag carrier of the Cayman Islands and has been transformed into an airline of which we can all be justly proud. It is not just an airline, it is our airline. I invite the public to continue to support Cayman Airways Ltd. and on behalf of this Government I wish our national carrier clear skies and many more safe flights.

The Speaker: Report of the Standing Finance Committee. The Honourable Temporary Third Official Member responsible for Finance and Development.

REPORT OF THE STANDING FINANCE COMMITTEE Meeting held 27th September, 1996

Hon. Joel Walton: I beg to lay upon the Table the Report of the Standing Finance Committee for the meeting held on Wednesday, 27th December, 1995.

The Speaker: So ordered. Do you wish to speak to it?

Hon. Joel Walton: Thank you, Madam Speaker.

In accordance with the provisions of the Standing Order 73(5), the Standing Finance Committee met to consider a Paper from the Financial Secretary, Chairman of the Committee, which was circulated to all Members, together with the Notice of Meeting, on 26th September, 1996.

The Committee met and agreed to the transfer of \$3 million to General Reserve Fund to be made up of \$1 million from the sale of the Housing Development Corporation Loan Portfolio and \$2 million from the accumulated surplus and deficit account.

The Speaker: In accordance with Standing Order 67(4) the Report is deemed to have been approved by the House. At this time I would ask for a motion to suspend Standing Order 23(7) & (8) to allow Questions on the Order Paper to be dealt with.

The Honourable Minister for Education and Planning.

SUSPENSION OF STANDING ORDER 23(7) AND (8)

Hon. Truman M. Boddan: I move the suspension of Standing Order 23 (7) & (8) to allow Questions on the Order Paper to be dealt with.

The Speaker: The question is that Standing Order 23 (7) & (8) to allow Questions on the Order Paper to be dealt with. I shall put the question. Those in favour please say Aye...Those against No.

AYES.

The Speaker: The Ayes have it.

AGREED. STANDING ORDER 23(7) AND (8) SUSPENDED.

The Speaker: Questions to Honourable Members/ Ministers. Question No. 183, standing in the name of the Third Elected Member for George Town.

QUESTIONS TO HONOURABLE MEMBERS/MINISTERS

QUESTION NO. 183

No. 183: Mrs. Berna L. Thompson Murphy asked the Honourable Minister for Education and Planning what the Recurrent and Capital Expenditure on Government schools has been over the past four years.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddan: The total recurrent and capital expenditure on Government schools over the past four years was in excess of \$79,839,642. This can be broken down as follows:

Year	Recurrent	Capital	Total
1993	\$14,924,575	\$ 828,601	\$15,753,176
1994	15,861,069	2,865,773	18,726,842
1995	16,866,496	2,979,763	19,846,259
*1996	19,860,088	5,653,277	25,513,365

(*estimated)

SUPPLEMENTARIES

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Is the Honourable Minister in a position to say if in the Strategic Plan there are any recommendations for additional schools to be constructed?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Boddan: Yes. At the George Hicks High School there has been approval of \$1.4 million for the construction of an Art block. Physical Education changing rooms, an extension to the Administration Building and construction of the Art building is due to begin at the end of October. There is also an expenditure on a sewerage plant that will be going in there.

West Bay Primary School: Public Works Department is in the process of preparing plans and estimates for a multipurpose hall. Also, at the George Hicks High School plans are being looked at, or being requested for a new multipurpose hall and new library.

The Teacher's Centre, Cayman Brac: The land has been cleared and I understand that construction is to begin any day now on the new Teacher's Centre on the Brac. That is scheduled for the end of 1996.

At Creek Primary School there are plans for two new class rooms. At Spot Bay Primary there are plans to build a new multipurpose hall in 1997.

Lighthouse School: The Education Department is working with Public Works Department and an architect from the United Kingdom on the preliminary design specifications of the new purpose built school for children with special needs.

Sunrise Centre: Once the present site of the Lighthouse school is vacated, there will be a new Sunrise Centre built about the same time as the Lighthouse School. I think that is probably the most. I had actually prepared this for another question, so it is probably good that it has come out here.

The Speaker: The First Elected Member for Boddan Town.

Mr. Roy Boddan: I noticed that for the years 1993, 1994 and 1995 under all of the categories, for example 'recurrent'. For 1993, 1994 and 995 there is a million dollar difference in the expenditure. Estimated for 1996 there is a \$3 million difference between 1995 and 1996; similarly with Capital, there is a \$3 million difference. When it

comes to the total between the year 1995 and 1996 there is approximately a \$6 million difference. Can the Minister explain these differences in the estimates for the year 1996?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: On the recurrent side, we have more children in the system and we needed more teachers and more equipment and more staff. On the capital side, since for the first seven months of this year the Government has a recurrent surplus of \$18.4 million, and since we have drawn no loans this year, and total loans for the last four years of only about \$6.5 million total, we had excess money this year. I got a share of that and I put it into education. I believe the best place for those large amounts of profit should be in education. I hope that the First Elected Member for Bodden Town can agree with me on that.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Certainly the Minister knows that he has my agreement on that. Can he say if under the category for recurrent the enrolments for 1996 have been significantly greater? I notice there is a million dollar difference for the three years 1993, 1994 and 1995. But in 1996... if the Minister's answer follows, does that mean that we had an inordinate number of students enrolling in 1996?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: That is correct. In fact, I think it may have been the Fourth Elected Member for George Town who asked me that earlier. We did have an inordinate number of students enrolled. Five years ago there was an increase in the birth rate and I think we have had over 200 extra children who have now come into the schools. That is why we built four new classrooms in George Town, four in Savannah and last year we built the Red Bay Primary. Hopefully it will stabilise. Birth rates were up.

The Speaker: The next question is No. 184, standing in the name of the Third Elected Member for George Town.

QUESTION NO. 184

No. 184: Mrs. Berna L. Thompson Murphy asked the Honourable Minister for Education and Planning what recent repair works were done to the Campbell Building and the cost thereof.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: The Campbell Building has been under continuous repair since 1993. The building has to be completely re-roofed as it is leaking so badly that the interior walls of the building are stained. The repairs have arisen because the Campbell Building was purchased in February 1992 without a Certificate of Occupancy and could not be occupied for nearly two years. The price of the building repairs, etc., exceeded CI\$200 per square.

The Government's Lands Officer recommended a purchase price of CI\$1,175,000, but the building was purchased for CI\$222,500 more. Additionally, another CI\$293,521 had to be spent on alterations, repairs and fitting-out costs because the building was structurally unsound and unsuitable for the offices required for the Education Department. The total cost of the building was some CI\$516,021 more than the Government's Lands Officer recommended. The facts are in the 1993 Auditor General's Report on pages 20 to 25.

The cost of this work which is supposed to begin on 1st October, 1996, is estimated to be \$35,000. In addition, the second floor must be reinforced and no estimates are available on this yet. To give some indication as to what has been spent on this building since 1993, \$9,110 was spent in 1993; \$12,570 was spent in 1994; \$16,619 was spent in 1995; and \$13,332 has so far been spent in 1996, for a total in four years of \$51,631. This does not include the cost of re-roofing the building or reinforcing the second floor.

The extent of the repairs needed to that building is a national disgrace. It is a wonder to me how this building was ever given a Certificate of Occupancy, much less that it was purchased by Government.

SUPPLEMENTARIES

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: I am sure that the Honourable Minister is aware of the plumbing problems in the building and the mildew. Of the \$35,000 estimated for 1st October, are these repairs included in that?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: To be honest, I understand the file on these repairs is so large there was a problem getting all of the details. I am not certain. They could not give me the cost of repairs on the roof which will be very substantial. Structurally, because I think that the four Elected Members for George Town realise this, the beams were not put in on the first floor. That apparently still has to be dealt with. I do not know how much that is going to cost.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Because our MLA Office was there I became aware of the plumbing situation. I would kindly ask the Honourable Minister if he would have a word with the Public Works Department to ensure that the plumbing is corrected. The water is constantly running and the walls are full of mildew. This should be corrected.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: I will undertake to have that corrected. To be very frank, it would probably be better to push that down and build a new one, but that is my view.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Can the Honourable Minister say if he has tried approaching the Member of the 1988-1992 Government, the Member for Works, to repurchase the building?

The Speaker: I am afraid we shall have to go on to question No. 185, standing in the name of The Fourth Elected Member for George Town. We are dealing with serious matters here, not frivolity.

QUESTION NO. 185

No. 185: Mrs. Berna L. Thompson Murphy asked The Honourable Minister for Sports, Women's and Youth Affairs and Culture what programmes for Community Development has Government implemented.

The Speaker: The Honourable Minister for Sports, Women's and Youth Affairs and Culture

Hon. W. McKeever Bush: The Social Services Department recruited three Community Development Officers in 1996. After undergoing one month's intensive training at the Department, they were sent into the communities to start work with various groups. One officer serves George Town, one West Bay and one East End, North Side and Bodden Town. Further training was provided in January 1996 by Dr John Maxwell, Senior Lecturer in the Department of Sociology and Social Work of the

University of the West Indies. Representatives involved in community work from local churches, the Education Department and the Royal Cayman Islands Police also participated in this training.

The overall programme strategy is to get residents of each community working together to create the kind of community in which they want to live. Community development programmes are long term and will be achieved by the implementation of projects, a number of which have been initiated within certain neighbourhoods through community organisation, that is, people working together to get things done.

The programme initiatives so far have been: 1) Assisting communities to assess their strengths and weaknesses and enabling them to address these assessed needs; 2) Working with some communities to develop programmes and projects arising out of assessed needs; and 3) Educating communities on relevant social issues.

In the Watlers Road area the Community Development Officer for George Town has co-ordinated a beautification project, developed a park and playground for children and put in place a summer reading project in conjunction with the Public Library. Several persons from this community have participated in all these activities. With a great deal of assistance from community members and Government resources, he has additionally spearheaded the renovation of an elderly man's house together with the Second and Third Elected Members of George Town. In collaboration with the Police, a drug awareness project has also started.

In conjunction with members of central George Town, a community park has been put in place. I would like to pause here to offer a word of thanks to Mr. Anthony Ramoon and others who initiated the park in Central George Town. This park was opened two weeks ago.

In the Windsor Park area, certain neighbourhoods have been cleaned up and community meetings for needs assessment and project development are continuing. In association with the Rotary Club, the Officer is currently involved in the re-development of a park and playground in the Windsor Park area. The representatives I mentioned earlier are also involved in this project.

The Community Development Officer for East End has assisted the community with a beach development project. She was also able to involve the community in the renovation of the home of an elderly gentleman. A few activities were also carried out for the young people of the district. The Community Development Officer for George Town assisted her in her involvement with the Coe Wood beach project in Bodden Town, which was done by the community. Additionally, she has visited elderly persons in the three districts, identified their needs and referred them to the Social Services Department for assistance.

In the district of West Bay, the Community Development Officer, in collaboration with members of the community, has renovated the Boatswain Bay Park, which became the Beulah Smith Park, assisted with the primary school lunch programme and developed a beach project. She has also managed to involve a number of persons in the community in gardening projects for elderly and disabled residents of the district.

On August 24, 1996, the Social Services Department opened the R. B. Kirkconnell Community Care Centre by admission of clients after a great deal of work had been carried out to make the facility ready for use with the staff trained over a three week period by a senior nurse of the George Town Hospital.

I would like to thank the First Elected Member for Cayman Brac and Little Cayman for his involvement in that initiative.

Adaptations are currently being made to the home purchased in West Bay which will house the department's Adult Special Needs Programme and a few elderly residents of the district. The facility will be ready for occupancy in a month's time. It is hoped that members of the community will visit the residents of these two homes and assist the department in whatever way they can to make the home a viable part of community life.

The family study initiated by the Social Services Department is nearing completion and findings are being presented to the Ministry and Department. It is expected that as a result of data obtained, recommendations will be made regarding the strengthening of existing community programmes or the implementation of new ones.

SUPPLEMENTARY

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Can the Honourable Minister say if there will be any additional community development officers added to the three we presently have?

The Speaker: The Honourable Minister for Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeeva Bush: The Department and the Ministry recognise that it is difficult for one community development officer to work in such a large district of George Town, if that is what the Member is referring to. I believe that there should certainly be another one and attempts will be made to get that one in the new budget.

A similar exercise was carried out in the present budget for another officer for East End, Bodden Town and North Side, but that position was not approved in the 1996 Budget and I hope that it will be approved in the 1997 Budget, God willing.

The Speaker: The next question is No. 186, standing in the name of the Fourth Elected Member for George Town. He is not present. The next question is No. 187, stands in the name of the Second Elected Member for George Town.

QUESTION NO. 187

No. 187: Dr. Stephenson A. Tomlinson asked the Honourable Minister for Agriculture, Environment, Communications and Works to state what capital works projects have been approved for George Town in the last four years, giving details of costs.

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: Answer: The amounts spent per year for the last four years on George Town capital projects are as follows: 1993 - \$3 million; 1994 - \$9 million; 1995 - \$7 million; 1996 - \$12 million.

The itemised cost breakdown for these various projects is quite lengthy, and with your permission I will be happy to read them out, but it covers about 50 pages. (See page 787 for circulated attachment.)

The Speaker: I think in this case the attachments can be circulated to all Members.

Hon. John B. McLean: Thank you, Madam Speaker.

SUPPLEMENTARIES

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Is the Minister in a position to say how that expenditure compares to previous periods?

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

Hon. John B. McLean: The figures for previous years differ substantially. I must say that literally every year for the four years the projects in George Town have been on the rise.

The Speaker: The next question is No. 188, standing in the name of the Third Elected Member for West Bay, who is also not present.

(In the absence of the Third Elected Member for West Bay, the Speaker moved on to question No. 189)

The Speaker: The next question is No. 189, standing in the name of the Third Elected Member for Bodden Town

QUESTION NO. 189

No. 189: Miss Heather D. Bodden asked the Honourable Minister for Education and Planning to give the total number of students overseas on Government scholarships and the cost, by year, during the past seven years.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: The present Government is fully committed to post-secondary education for Caymanians and this is clearly reflected in our allocation of funds and actual expenditure on scholarships for studies overseas.

The total number of students on Government scholarships at the present time is 137. Expenditure on Government scholarships over the past 7 years was as follows:

1990	\$ 595,603
1991	528,400

1992	536,252
1993	875,000
1994	1,187,543
1995	1,293,155
1996 (budgeted)	1,293,155

I would ask Members to bear in mind that other monies are spent educating and training Caymanians at the post-secondary level and the figures listed for studies overseas do not fully reflect Government's expenditure on education at that level.

Most significant of these other expenditures is the Government's support of the Community College of the Cayman Islands. The Community College provides a host of opportunities for Caymanians to continue their education after high school. The College offers technical, trade and vocational programmes, e.g., electrical, plumbing, carpentry and automotive repairs, certificate and diploma programmes, e.g., 'O' levels, Pittman's and City & Guilds, as well as a series of professional courses, e.g., those for accountants, bankers and insurance agents.

The opportunity for students to complete the first two years of a Bachelor's degree locally, before transferring to a recognised college abroad for their final two years, will mean that a larger number of students will be able to complete their tertiary education and that the Education Council's scholarship programme will be able to assist a greater number of students to complete their final two years of study.

SUPPLEMENTARIES

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: In the written answer, the Honourable Minister gives the figures for 1990 to 1996. Can he say why it jumps from \$595,000 in 1990 to \$1,293,155 budgeted in 1996?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: This is because we revised the priority list for scholarships.

The Speaker: The Third Elected Member for Bodden Town.

Miss Heather D. Bodden: Is the Honourable Minister in a position to say how many of these students are of Caymanian parents?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: They all would have to have a parent of Caymanian status and they would have to have Caymanian status themselves and have been resi-

dent for five years in schools here, prior to having been awarded a scholarship.

The Speaker: The next question is No. 190, standing in the name of the Third Elected Member for Bodden Town

QUESTION NO. 190

No. 190: Miss Heather D. Bodden asked the Honourable Minister for Education and Planning what the Honourable Minister and the Education Council have done towards grants to and recognition of I.C.C.I. for the purposes of Civil Service employment and increments.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: The Education Council granted the International College of the Cayman Islands (ICCI) registration in 1993 and I signed and delivered their registration certificate. The College once again benefits from Government's annual grants to private schools and colleges (which were stopped from 1984-1992), and from not having to pay customs' duty on equipment and supplies for use at the College. On the matter of recognition of ICCI for the purpose of Civil Service employment and increments of salary, this is a matter for the Public Service Commission and the Personnel Department, as under the Cayman Islands (Constitution) Order, a political Minister is prohibited from being involved in Civil Service conditions of employment.

SUPPLEMENTARIES

The Speaker: The Third Elected Member for Bodden Town.

Miss Heather D. Bodden: Can the Honourable Minister state the reasons why ICCI was not recognised by the Government until 1993?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: The fact is that the last two Governments did not recognise them. The National Team has. I am happy to say that the grant which they were deprived of for eight years has now been put back in place. We are well positioned with this large surplus of \$18.4 million. We can help more private institutions, such as ICCI, even beyond the grant.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Can the Honourable Minister say if the Government offers any scholarships which are tenable at the ICCI?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: At present the Government does not offer scholarships locally, either for the Community College, ICCI, nor the Cayman Islands Law School. But I think the time has come, especially with this large surplus of \$18.4 million, for grants to be made to ICCI and the Community for local scholarships, also the Law School.

I believe the Member will appreciate that none of the three institutions come under this at present, but every year for the last four years, the Honourable Member knows that as he voted money for scholarships it was for study abroad.

The Speaker: Honourable Minister, may I remind you about repetition? This has happened a couple of times.

The next question is No. 191, standing in the name of the Third Elected Member for Bodden Town.

QUESTION NO. 191

No. 191: Miss Heather D. Bodden asked the Honourable Minister for Education and Planning what school buildings have been completed over the past four years.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: The school buildings which have been completed over the past four years are: four classrooms and two activity rooms at the John A Cumber Primary School; phase 2 of the project being completed a year early; administration block, computer room and library, also at the John A Cumber Primary School; Red Bay Primary School - four additional classrooms; Savannah Primary School - four additional classrooms and a male and female toilet block; George Town Primary School - four additional classrooms and a male and female toilet block; Spot Bay Primary School - Principal's office and sick bay; West End Primary School one additional classrooms, Principal's office and staff room; George Hicks High School - technical block, classroom and science laboratory.

In addition, construction on a new Teacher's Centre in Cayman Brac and a new art block and physical education changing room at the George Hicks High School is set to begin next month. Several other school buildings are in the early stages of preparation.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: In the last part of the answer the Honourable Minister stated that several other school buildings are in the early stages of preparation. Can he expand on that statement, please?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: The other projects include the George Hicks High School, \$1.4 million for the construction of one art block, physical education changing rooms and extension to the administration building. Construction on the art building is due to begin at the end of October. Construction of the physical education changing rooms and the extension to the administration building is expected to begin at the end of this year. Plans are moving forward for the sewerage plant. Also, we have indicated plans to build a new multipurpose hall at George Hicks, and a new library. The old hall will then be converted into a self-contained canteen and a purpose built kitchen added to it.

West Bay Primary School: Public Works Department is in the process of preparing plans and estimates for a multipurpose hall. Construction is expected to begin this year.

The Teacher's Centre, Cayman Brac: The land has been cleared and I understand that construction is to begin any day now and is scheduled to be finished this year.

At Creek Primary School there are plans for two new class rooms in 1997. At Spot Bay Primary there are plans to build a new multipurpose hall in 1997.

Lighthouse School: The Education Department is working with Public Works Department and a specialised architect from the United Kingdom on the preliminary design specifications of the new purpose-built school for children with special needs.

Sunrise Centre will have a new purpose-built school. This will also include some residential facilities. This is for older persons with special needs.

Any other area that arises out of the good Five Year Development Plan for Education, which this Honourable House passed under the action plans for schools will also be built.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Is the action plan which is to dictate the time line for the various improvements and additional classroom space to the school system throughout the islands set up to do all of this? How is this being done?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: The Strategic Planning process was one in which the teachers, parents, students and public were all involved. That had 105 action plans of which 83 are now being implemented. It has just been revised again.

Having said that, this specific matter as to the needs for specific schools will be dealt with by the teachers, par-

ents and where the children are old enough they will be involved through the site-based planning of which three have now started. So rather than having the centralised type of planning, we have now really put major decisions into the hands of teachers and members of the public. Depending on what comes out of the site-based planning we will know what each site specifically needs.

I will say that the site-based planning is very good indeed because it allows the schools to keep the matters which are peculiar to them and it allows those schools to be moulded in the way the teachers and the parents in those areas would wish them to go.

The Speaker: The Third Elected Member for Bodden Town.

Miss Heather D. Bodden: Can the Honourable Minister say if there are plans to air-condition the classrooms?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Yes.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Minister say if the individuals involved in the sit-based planning have any terms of reference with regard to the type of development they should be looking towards regarding a time span?

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: The Strategic Five Year Plan, which I am pleased to say the Honourable Member has supported, came first. Out of that came the action plans. Site-based planning has just begun with three schools. We hope to have all schools through site-base planning by 1999. I have not yet received a final report from a site-base plan at one of the three schools. Therefore, I am not really in a position to reply to the Member on that specific point.

The Speaker: We will revert to question No. 186, standing in the name of the Fourth Elected Member for George Town.

QUESTION NO. 186

No. 186: Mr. D. Kurt Tibbetts asked the Honourable First Official Member to state Government's present policy regarding the recruitment of new teachers for the public schools.

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Government's policy for the recruitment of teachers is that Caymanians who are suitably qualified for teaching posts are given first consideration and the remaining vacancies are filled through local or overseas recruitment.

SUPPLEMENTARIES

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Member elaborate on the method used for overseas recruitment?

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: The recruitment of overseas teachers would be done very much the same way as the recruitment of any other civil servant. The posts would be advertised overseas and depending on where (for argument sake, if it is advertised in the United Kingdom) it would be short listed. We normally use the London Office to assist along with persons locally, generally a representative of the Public Service Commission or the Personnel Department. After a short listing is done the person would be interviewed and the successful candidate would be offered employment.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Member state if there are any defined geographical areas where these posts are advertised?

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Generally posts are advertised in the United Kingdom, but it is not confined to the United Kingdom. Quite often advertisements are placed in Canada and at times they are done regionally within the Caribbean. So there does not necessarily have to be one geographic location.

The Speaker: The Member for North Side.

Mrs. Edna M. Moyle: Is there a representative of the Education Department or the Portfolio of Education who attends these interviews when these teachers are selected?

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Yes, that is normally the case, that a representative of the Education Department attends the interview.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Getting back to the geographical locations. Can the Honourable Member state if there is a specific policy, or is it done on a rotating basis? Exactly how is it decided where to run the advertisements when this needs to take place?

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: I am not prepared to say if there is a rotating policy. I can undertake to get this information and give it to the Member in writing, but I would hazard to guess that there is not a rotating policy, but I would prefer to prepare a written answer.

The Speaker: The next question is one that was omitted due to the absence of the Member asking the question. Question No. 188, standing in the name of the Third Elected Member for West Bay.

QUESTION NO. 188

No. 188: Mr. John D. Jefferson, Jr. asked the Honourable Temporary Third Official Member responsible for Finance and Development to give details of the borrowings, excluding Cayman Airways Limited for 1993, 1994 and 1995 and indicate the comparison for 1990, 1991 and 1992.

The Speaker: The Honourable Temporary Third Official Member responsible for Finance and Development.

Hon. Joel Walton: Answer: The details of the borrowings by Central Government (excluding the recapitalisation of Cayman Airways Limited in the amount of \$16,666,667 used to repay debts incurred prior to 1st January, 1993) are as follows:-

Years	Loans Approved	Actual Draw-downs
1990	\$ 600,000	\$ 600,000
1991	12,900,000	11,971,168
	1,500,000	500,000
1992	0	0
Sub-total	15,000,000	13,071,168
1993	0	0
1994		*600,000
	8,130,171	5,397,000
1995		1,200,000
Sub-total	8,130,171	12,297,000

*Honourable Members are asked to note that the \$6 million drawn down in 1994 came from a 1992 Health Services Authority loan which was converted to Central Government Public Debt when the Authority reverted to departmental status on 1st January, 1994. The actual drawn-down related to loans approved and contracted during the period 1993-1995 is therefore \$6,597,000.

SUPPLEMENTARY

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: Can the Honourable Member say what percentage of Government's budget is required to service our airline now?

The Speaker: The Honourable Temporary Third Official Member responsible for Finance and Development.

Hon. Joel Walton: Approximately 6%.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: Can the Honourable Member state if there are any loans which are not being paid back at present, but will have to be paid back because of a "period of forgiveness?"

The Speaker: The Honourable Temporary Third Official Member responsible for Finance and Development.

Hon. Joel Walton: Based on what I can recall (as I do not have those figures on hand), the only loans that would fall into that category would be those which we draw down during 1996. So far we have not made any draw downs against the loan approvals.

The Speaker: That concludes Question Time for today. Statement by Members/Ministers of the Government.

The Honourable Minister for Sports, Women's and Youth Affairs and Culture.

STATEMENTS BY MEMBERS/MINISTERS OF THE GOVERNMENT

**NATIONAL PENSION LAW, 1996
-AND-
STATUS OF REGULATIONS**

Hon. W. McKeever Bush: Madam Speaker, Honourable Members of this House are aware that the National Pensions Law, 1996 was passed in the Legislative Assembly in July, during the June 1996 Meeting. The Law has not yet come into force, as provided for in Section 95 (1) and (2), "Commencement" of the Law. Honourable Members are also aware that Section 94 (4) of the Law provides that Regulations under the Law are subject to the Affirmative Resolution of the Legislative Assembly.

When I presented the Bill to the Legislative Assembly in July I said that Government intended to bring Regulations to the House in the September Meeting, subject to public consultation, for the Affirmative Resolution. It was the intention that with the Regulations being approved in the September Meeting, the Law and Regulations could come into force as one package in September, with the 6-month (180 days) grace period as allowed under Section 6 (2) of the Law.

Drafting Instructions, together with other instructive information such as a copy of the Ontario Canada Regulations to the Pension Benefits Act, were given to the

Legislative Drafting Department on 24th May, 1996. Due to other priority Drafting work as well as scheduled leave within that Department, the Legislative Counsel was unable to commence substantive work on the Regulations until early August. These factors as well as the very technical and time-consuming nature of drafting pension regulations has resulted in the Legislative Drafting Department being unable to complete a set of Regulations in time to be considered by Executive Council, thereafter allowing some level of public consultation, and then presented to the Legislative Assembly in this September Meeting, the final for the 1992-96 Legislature. I therefore have no other option but to proceed with the Drafting, collating of advice and input from appropriate experts, and when completed to present the draft Regulations to ExCo for approval in order to circulate for public consultation. Subject to public consultation, I propose that the Regulations can be taken to the Legislative Assembly in the first Meeting of 1997.

This obviously will impede the timetable for this legislative package as well as the preparations by Government as the Regulator and those organisations who will apply to be Approved Providers of pensions, for the smooth implementation of this initiative.

In the interim, in order to avoid a "time crunch" with the coming into force of the Law without the Regulations, Government has agreed that the preferred option is to delay the coming into effect of the Law, until November 1996. This enactment date plus the 6-month grace period will allow Government, potential Providers, employers and the public until May 1997 to complete their preparation before the Law is enforced. As mentioned previously, if the Regulations are approved by the Legislative Assembly in March 1997, there should be enough time allowed between then and May.

Honourable Members will recall that the National Pensions Law is very comprehensive and includes many of the provisions which are normally found in Regulations, therefore by using the Law and the forthcoming Draft Regulations (until March for reference) all of the prospective Providers and Employers should be able to determine the requirements so as to prepare or modify their plans in order to be in compliance with the Law in May 1997.

Simultaneously, the Drafting of Regulations should continue as a matter of priority, so as to facilitate approval by Council and ample opportunity for public input. In this exercise, my Ministry intends to seek outside technical assistance, such as an Actuary, for the drafting and review of certain provisions of the Regulations, in accordance with standard procedure for the engagement of such services. Finally, my Ministry will continue to develop relationships with international pension experts and regulatory agencies, as well as to receive advice and assistance on matters such as staffing, computer systems and software etc., for the Inspectorate and the Superintendent of Pensions.

The Speaker: The Honourable Minister for Agriculture, Environment, Communications and Works.

LETTER FROM COMMISSIONER OF POLICE RE: CIRCULATION OF FALSE DOCUMENTS

Hon. John B. McLean: I am pleased to have received a letter from the Commissioner of Police following the investigation of an unscrupulous attack on me and to make known to this country my innocence. The letter reads as follows:

"Dear Mr. McLean:

I enclose for your information a copy of a press statement that will be given to the press today [that was yesterday]. It states, as you will see, that the Police investigation of the matter you reported to me has shown that there was a deliberate attempt to discredit you and harm your reputation. The alteration of an authorised cheque and the mailing of false documents to various persons was a malicious and deliberate attempt to cause you embarrassment, and harm your standing in the community, no doubt because of the forthcoming election.

"While the police investigation has been unable, to date, to identify the offender(s) and to institute a prosecution, it is clear that this was a scurrilous attempt to taint your character and it may yet become possible to identify the culprit and take appropriate legal action.

**Yours sincerely,
The Commissioner of Police."**

Madam Speaker, the press release is as follows:

"In July this year the Honourable Minister for Agriculture, Environment, Communications and Works, Mr. John B. McLean, reported to the police that some person, or persons, unknown had been circulating through the mail various documents that purported to show that a large sum of money had been paid to him. Mr. McLean claimed that the documents were forgeries and the police were asked to investigate the matter. The police enquiry revealed that Mr. McLean's allegations were correct, and there was evidence that a bank draft had been altered, copied and circulated with other documents in an attempt to discredit Mr. McLean. The bank draft had originally been drawn by a local bank at the request of Hampstead's and was payable to one of their overseas suppliers. The draft had later been altered and copied and was obvious forgery. While the person or persons responsible have not been identified, the police enquiry has clearly shown this to be a malicious act against Mr. McLean designed to embarrass and potentially damage his reputation with the approaching general elections."

This is indeed a political move to smear my character during the upcoming election. I can only say to the ones responsible for it that this is not politics, this is

down-right nasty. Instead of encouraging this type of attack, issues should be dealt with which are beneficial to these islands.

I am totally shocked to hear that a company like Hampstead's would have been involved in such an act. I would like to especially thank all of my good friends and supporters, particularly the people of East End who continued to encourage me to hold my head high during the times when nasty allegations were being circulated.

Thank you, Madam Speaker.

The Speaker: Government Business, Bills, Third Readings.

GOVERNMENT BUSINESS

BILLS

THIRD READINGS

DEVELOPMENT AND PLANNING (AMENDMENT) (APPEAL TRIBUNAL) BILL, 1996

Clerk: The Development and Planning (Amendment) (Appeal Tribunal) Bill, 1996.

The Speaker: The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: I beg to move the Third Reading of The Development and Planning (Amendment) (Appeal Tribunal) Bill, 1996.

The Speaker: The question is that a Bill entitled, The Development and Planning (Amendment) (Appeal Tribunal) Bill, 1996, be given a Third Reading and passed.

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

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given a Third Reading and passed.

AGREED: THE DEVELOPMENT AND PLANNING (AMENDMENT) (APPEAL TRIBUNAL) BILL, 1996, READ A THIRD TIME AND PASSED.

ELECTIONS LAW (1995 REVISION) (AMENDMENT) (PROHIBITION OF ADVERTISING, ETC.) BILL, 1996

Clerk: The Elections Law (1995 Revision) (Amendment) (Prohibition of Advertising, etc.) Bill, 1996.

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: I beg to move the Third Reading of a Bill entitled, The Elections Law (1995 Revision) (Amendment) (Prohibition of Advertising, etc.) Bill, 1996.

The Speaker: The question is that a Bill entitled, The Elections Law (1995 Revision) (Amendment) (Prohibition of Advertising, etc.) Bill, 1996, be given a Third Reading and passed.

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

AYES.

The Speaker: The Ayes have it. The Bill has accordingly been given a Third Reading and passed.

AGREED: THE ELECTIONS LAW (1995 REVISION) (AMENDMENT) (PROHIBITION OF ADVERTISING, ETC.) BILL, 1996, READ A THIRD TIME AND PASSED.

The Speaker: There are two Committees which are required to meet to finalise their reports. The House is being asked to concur that they meet during the suspension.

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

AYES.

The Speaker: The Ayes have it.

AGREED: COMMITTEES TO MEET DURING SUSPENSION TO FINALISE REPORTS.

The Speaker: The House will be suspended for approximately one hour and, if it needs to be, longer, to deal with the Committees.

PROCEEDINGS SUSPENDED AT 3:00 PM

PROCEEDINGS RESUMED AT 5:19 PM

PRESENTATION OF PAPERS AND REPORTS

(continuing)

REPORT OF THE STANDING HOUSE COMMITTEE

The Speaker: We will deal with the two reports which were deferred until this later period. The first is the Report of the Standing House Committee. The Elected Member for North Side, Chairman of the Committee.

Mrs. Edna M. Moyle: In accordance with the provisions of Standing Order 72(5), I beg to lay upon the Table of this Honourable House the Report of the Standing House Committee.

The Speaker: So ordered.

Mrs. Edna M. Moyle: During 1996 the House Committee held two meetings and for the four year tenure of this

Committee some 36 recommendations were made, of which 17 were achieved. Left unachieved are some 14 issues which need to be addressed.

The Committee suggests that the incoming Standing House Committee addresses those issues that have not been addressed during our four year tenure.

I would like to thank the Members of the Committee for their input over the past four years and the relevant Government Departments which assisted to implement the recommendations of the Committee.

The Committee agrees that this Report be the Report of the Standing House Committee to this Honourable Legislative Assembly.

In accordance with the provision of Standing Order 72(5), I move that the recommendations contained in the report of the House Committee be adopted.

The Speaker: Is there a seconder? The First Elected Member for Bodden Town.

Mr. Roy Bodden: I beg to second the motion.

The Speaker: The question is that the recommendations of the Standing House Committee be adopted.

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

AYES.

The Speaker: The Ayes have it.

AGREED: THAT THE RECOMMENDATIONS CONTAINED IN THE REPORT OF THE STANDING HOUSE COMMITTEE BE ADOPTED.

The Speaker: Next, is the Select Committee on the Fundamental Rights Clause of the Constitution.

The Honourable Minister for Education and Planning.

THIRD AND FINAL REPORT OF THE STANDING SELECT COMMITTEE OF ELECTED MEMBERS TO STUDY THE FUNDAMENTAL RIGHTS CLAUSE OF THE CONSTITUTION MOTION NO. 4/93

Hon. Truman M. Bodden: I beg to lay on the Table of this Honourable House the Third and Final Report of the Standing Select Committee of Elected Members to study the Fundamental Rights Clause of the Constitution Motion No. 4/93.

The Speaker: So ordered.

Hon. Truman M. Bodden: The Report first deals with the appointment of a Chairman and then minutes of meetings.

The Committee met on nine occasions, namely:

- 28th November, 1994
- 28th February, 1995
- 22nd May, 1995

- 4th August, 1995
- 27th November, 1995
- 22nd May, 1996
- 9th September, 1996
- 26th September, 1996;
- 27th September, 1996 to consider the Committee's report with the concise written statement of dissent.

NOTES AND RECOMMENDATIONS OF THE COMMITTEE TO THE HOUSE:

The Committee notes: (i) that the International Convention on Human Rights and the European Convention on Human Rights apply to the Cayman Islands by virtue of the United Kingdom being a signatory thereto and having extended them to the Cayman Islands:

- (ii) that history records that no one has been deprived of their fundamental rights in the Cayman Islands;
- (iii) that the United Kingdom has neither a written constitution nor a bill of rights, but is foremost in the world with respect to human rights;
- (iv) that a Bill of Rights is not normally inserted in a Constitution at the early stages of the Constitution, such as is in effect in the Cayman Islands since 1972. As there is no Chief Minister the Constitution reserves responsibility for the judiciary, public service, external affairs and other important matters to His Excellency the Governor. All laws continue to require the assent of His Excellency the Governor and are subject to non-disallowance by Her Majesty's Government. Both the Executive Council and the Legislative Assembly are advisory to His Excellency;
- (v) that the Draft Constitution of 1991, which the public rejected at the 1992 General Elections, would have advanced the Constitution of the Cayman Islands to a near final stage with a Chief Minister and would have required the Bill of Rights to temper the wide discretion and substantial power given to a Chief Minister and dilution of the powers of His Excellency.
- (vi) that on 23rd September, 1993, the Legislative Assembly passed a motion, as amended, approving a Bill of Rights with the exception of section 48I of Part IV A, which was the Right of Freedom of Conscience. However, the United Kingdom would not accept the Bill of Rights without the provision of Freedom of Conscience.

Due to the very serious concerns of the public in relation mainly to the fundamental right being freedom of conscience due to probable protection of cults and the erosion of moral and religious rights which have arisen in other countries, this Committee feels that there should be an opportunity for the public to make representation to a Select Committee and for full public debate on the matter and, if necessary, a referendum on these issues and thereafter for the Legislative Assembly to follow the wishes of a majority of the public.

WRITTEN STATEMENT OF DISSENT:

In accordance with the provisions of Standing Order 72(4)(h), the Committee granted leave for Mr. Gilbert McLean and Mr. Roy Bodden to attach to the Report a concise written statement of their reasons for dissenting to the Report. The statement is appended hereto.”

The Speaker: Do you wish to move a motion for the adoption?

Hon. Truman M. Bodden: Yes, Madam Speaker, I move the adoption of the report.

The Speaker: The question is that the Third and Final Report of the Select Committee on the Fundamental Rights clause of the Constitution be adopted.

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

AYES.

The Speaker: The Ayes have it.

AGREED: THAT THE RECOMMENDATIONS CONTAINED IN THE REPORT OF THE STANDING SELECT COMMITTEE OF ELECTED MEMBERS TO STUDY THE FUNDAMENTAL RIGHTS CLAUSE OF THE CONSTITUTION MOTION NO. 4/93, BE ADOPTED.

The Speaker: We continue with the debate on the Report of the Auditor General and the Public Accounts Committee on the audited accounts of the Cayman Islands Government for the year ended 31st December, 1995, which also includes the Government Minute.

The Honourable Minister for Education and Planning.

GOVERNMENT BUSINESS

DEBATE ON THE REPORT OF THE AUDITOR GENERAL AND THE REPORT OF THE PUBLIC ACCOUNTS COMMITTEE ON THE AUDITED ACCOUNTS OF THE CAYMAN ISLANDS GOVERNMENT FOR THE YEAR ENDED 31ST DECEMBER, 1995

(Continuation of debate thereon)

Hon. Truman M. Bodden: Thank you, Madam Speaker.

As the evening wears on, we are now at 5.30, I am going to attempt to be briefer than I normally would have been in relation to this.

The few areas in this report that I would like to touch on relate mainly to the sections that deal with the status of the Propax Industrial Exports Ltd. (page 62). The Auditor General basically says that the contracts for the Water Authority show that there were no competitive bids and that the contracts that were granted, in fact a contract was first granted back in 1989 (but it said in 1991 that was then extended). The contract was originally only two point something million dollars. It was extended several times to bring it up to an excess of \$8 million, but it went to the same company.

Set out in the report are several irregularities in those contracts. The position was that the last Government decided that the Finance and Stores Regulations did not apply. But the Auditor General found that they should have applied and he stated on page 61: **“The Audit Office questioned management why the single source purchasing arrangements were permitted to continue for almost six years, apparently in contravention of Financial and Stores Regulations.”**

He went on to say on page 62, under Transparency and Accountability, **“Under Government procurement regulations, all acquisitions of goods and services in excess of \$10,000 must be obtained by contract after public tender. Not only should all eligible suppliers have an equal opportunity to bid, but the award of public contracts must be seen by the community to be fair and equitable.”**

He then went on to deal with a further irregularity in this on page 62. At paragraph 4.16 the Auditor General says, **“At an early stage of the audit, it was observed that a cheque for \$795,131 for materials supplied by Propax was actually made payable to an unknown third party, Mr. E. Mayar. There was no documentation on file supporting this diversion of contractor funds. This was considered to be a material breach of internal control. Management could not explain who Mr. Mayar was, nor why the payment was made to him.”**

This is a very serious matter. What happened here is that a cheque in the sum of \$795,131 was made payable to a man who nobody can explain, nor is there any documentation on who he was. Pipes were received from the United Kingdom for this payment. The Auditor General goes on to say, **“The Audit Office was unable to independently validate these explanations. Although there was no financial loss to the Authority, the diversion of legitimate payments to an unknown third party constituted a material breach of internal control and placed the Authority at considerable risk.”** “Enquiries with the UK Registrar of Companies revealed that Propax Industrial Exports Ltd. Was registered in April 1985 with £100 paid up share capital. According to statutory returns filed, the directors continue to report that Propax has never traded and is a dormant company within the definition of the UK Companies

Act ordinance. This is clearly false. The company continues to show £100 in paid up share capital as its sole asset in its returns filed with the UK Registrar."

What is so important about this is that an exercise was done by the Auditor General to show the amount of pipe purchased, as set out on page 59, of \$4,142,830. This is what he said at paragraph 4.12, "**The Audit Office arranged for Crown Agents to carry out a pricing test in June 1994. This exercise established that Propax's 1993 pipe prices were between 29% and 59% higher than CIF prices quoted by the Crown Agents.**" That is frightening.

You have \$4,142,830 paid to a company in the United Kingdom, by the name of Propax, which says that it has never traded and has £100 capital; we find that in excess of \$2 million, about \$2.4 million of that could have been saved. It leads to something in all of these transactions over a period of time during the last Government's period (and I point that out, not during this Government's period), in which some \$2.3 million or \$2.4 million more was paid for pipes for water lines than should have been paid. I believe that if the Public Accounts Committee could get no answers from the staff it should have called the Minister who had responsibility, Mr. Linford Pierson.

Somebody has to know who this man is that \$700,000-odd was paid to. In fact, I understand that the word Mayar (minus the r) means illusory in the dictionary. What is not illusory is the very substantial amount of money that went to what appears to be some type of a sham company and a man who no one knows. Further, at page 60 we find the Auditor General saying this: "**Taking into account increases in producer prices, quantity discounts and shipping economies of scale, the Audit Office concluded that up to 50% of the cost of pipes for the Spotts-Pease Bay extension could have been saved through competitive procurement in the United States.**"

Other areas of irregularities for Cayman Water Company during the last Government's time are further set out at page 64 where the Auditor General said, "**The civil engineering works were eventually completed in May 1994, some seven years after award of the original contract.** [This is very important because some of these contracts were entered into six and seven years prior and part of a small amount of it was finished during this Government's time. But he made it very clear when he said:] **Works were eventually completed in May 1994, some seven years after award of the original contract.** [Which would have been back in 1989.] **The value of work carried out by the contractor increased from the tender sum of \$2.6 million to \$10.367 million.**" That is frightening.

No wonder the Government of that time was broke, paying monies to illusory people and companies.

Further on this, the Auditor General sets out (beginning at page 64) where increases were allowed under the contracts which the Auditor General felt were excessive increases. For example, in 1992 (and this must have been the last Government's parting shot), "**39% time and**

method related overhead charges were incorporated in ever individual unit rate." Thirty-nine percent in that parting year in the charges, as set out at page 64.

We find also where the Auditor General sets out (page 67) that an independent consultant provided the following comments in relation to this issue. "**There is reliable evidence that two or three local contractors would have shown keen interest had the work been tendered publicly. One reputable local contractor made strong representations to the Board and management following the announcement that the Spotts-Pease Bay project was to be awarded to Petroservicios without a public tender.**"

Within this report it is pointed out (page 73): "**It was brought to the attention of the Audit Office that the Engineer had married the daughter of the major shareholder of Petroservicios during 1990. Our independent consultant advised that this relationship would place the Engineer in a position where his ability to perform his duties in an impartial manner might be called into question.**" What a state of affairs in 1989, 1990 and 1991.

Back on page 67 the Auditor General also stated: "**The general economic conditions in the Cayman Islands during 1991 were somewhat depressed.**" So anyone who has any doubt that there was an economical depression then compared to an economic boom now... it is set out here. He went on to say, "**Local contractors had little other work on hand, the weak business environment may have caused them to be very competitive and to submit keen prices. Additionally, the prospect of local competition would have created competitive tension. The possibility that the existing contractor might have lowered his prices, or held firm at existing 1990 or 1991 rates, in order to win the Spotts-Pease Bay project appears to have been ignored by the Authority. Had unit rates been held fixed for the duration of the project at existing prices, the Authority would have achieved considerable cost savings as follows: Saving at 1990 unit rates: \$554,068; Saving at 1991 unit rates \$315,016.**"

The Public Accounts Committee quite rightly expressed shock at this matter. They mentioned the fact that this is a crucial area: "**This is a crucial area as the company has only £100 paid up share capital and is reported to have been dormant since its creation in 1985.**". They stated at page 17, "**The Central Tenders Committee was never consulted about these continuing single source supply arrangements, which run contrary to the important principles of transparency and good governance.**". Yet two of the Members and the former Minister for this subject would like the public to believe that all was dandy in the last Government.

What I am referring to is the prior Member of Executive Council, I am not implying anything on Members of this House or Members of the Committee of the Water Authority.

On page 18 the Public Accounts Committee also stated that they were deeply concerned and they have

doubts about the payment to Mr. Mayar. So we see a state of affairs unfurling that is frightening; such large sums of money squandered under the governance of the last Government and its then Minister in charge of this.

The position in relation to this remains very difficult. As far as I can remember, the Public Accounts Committee made a recommendation that there be further investigation. On page 20 it says, "**The Committee recommends that (a) The Authority terminates its relationship with Propax; (c) The Attorney General's Department investigates whether the former Director can be requested to return to the Cayman Islands in order to provide further evidence on those matters raised by the Auditor General in his 1995 Report.**"

I cannot believe that there is no one, be it the then Minister, Permanent Secretary or staff at that time, who can say why \$795,131 was diverted to a man who no one knows when they were purchasing materials at prices 59% higher from a company that was not trading that had £100 capital and had a name which, I understand, means illusory. I submit that it is an indictment against the controls of the last Government that passed out contracts without going through the Tender's Committee, as they were shown to do (as I read on page 64), some \$10.367 million, and, in fact, wasting the public's funds in those areas when tenders could have gone out and Caymanian companies in the middle of a recession in 1991 could have gotten those contracts, which were instead given to a foreign company (Colombian Company).

That is really not the end of all of this. This was a part of a series of transactions, it was nearly a conspiracy, in which many other irregularities existed in the Water Authority. Reference was made in the Public Accounts Committee's Report.

When we look back at some of those unauthorised loans which were made by the Water Authority, some went to staff. Observations arose on air travel costs for a member of staff and a dependent. Also, at the time accounts were set up that related to unauthorised transactions - not extremely large amounts, some \$28,321. Back in 1993 when the Propax Industrial Imports came to surface, many things arose. In fact one of these even had transactions which included payments for electricity charges at a private residence, installation of a telephone, rental charges at a private residence.

There were so many things that went wrong in that company, the Water Authority. Let me make that clear, I am only talking about Government's Water Authority. If I said Cayman Water, I meant Government's Water Authority.

It is hard to believe that the Minister at the time could not have known that something was wrong. But at that time the Minister's water bill was reduced. We know that this was just one of several irregularities which happened during that period. The net result of this is that public funds were squandered, or went into private pockets. Some even went to a person who may not even have existed. That was not peanuts!

I submit that the whole situation has to be looked into. I support the Public Accounts Committee when they

recommend that this whole thing be investigated and that whoever is guilty, if anyone, should be dealt with according to the law.

When you find such widespread irregularities in a company and you find that at least one of those irregularities relates to the Minister at the time, Mr. Linford Pierson, that something should have surfaced somewhere before the Auditor General found this out. If it had been found out early enough... and, by the way, the Minister's reduced water bill stopped in January of 1993, as soon as the Government changed. So whoever was doing this, what I refer to as deliberate manipulation of the water meter readings, should have surfaced during the time of the last Government. Some of these irregularities seem to go back to 1989. How it remained covered for such a long time is beyond me, unless people were covering this up from the top down.

I would now like to turn to a few other areas and leave the Water Authority for the time being. One of the areas which was already touched on is the area of public debt on page 10. I would like to link that in with the Accountant General's report of 1995. At the back, Appendix VII of the Accountant General's Report of 31st December, 1995, we have certain statistics set out which go back to 1984. These are very revealing because they show what recurrent surplus different Governments have made since 1984.

What is so obvious is that only in 1990 and 1992, did this country ever have a deficit. In 1991 it had the smallest surplus and recurrent revenue and expenditure ever, by a Government. So the last three years of the Government's term they made a loss of \$2 million (1990), a profit of \$1.8 million (1991), and a loss of \$3.6 million (1992). That would have been bad enough, but in each of these years they spent all of their capital amount or borrowed from the profit and loss account, or surplus from the Government before, the Government of Sir Vassel, Capt. Charles and the others.

When we look through this, even back in 1984 there was a contribution to capital of \$9.7 million. That is in effect the surplus of recurrent and statutory expenditure over recurrent revenue. In 1985 there was \$6.85 million surplus; 1986, \$7.4 million; 1987, \$11.2 million; 1988, \$12.5 million; 1989 \$14.8 million which obviously had to be a carry over from the 1984-1988 Government. Then in 1990 when the grip of the last Government took effect, they made a loss of \$1.2 million in 1990 and a profit of only \$1.8 million. By the way, in 1990 they spent \$14.9 million more than they made. In 1991, when they had a profit of \$1.8 million they spent \$15.4 million on capital which they did not have.

In 1992, it was worse yet; they had a loss of \$3.6 million, spent \$18.1 million on capital and therefore spent \$21.7 million more than they made. That is why, as the Honourable Deputy Financial Secretary showed this morning in Finance Committee, the accounts for those periods proved such a financial disaster. It can be nothing but a financial disaster when you cannot make enough money on recurrent to pay for your recurrent debts and you borrow for everything out of capital.

When we tie that in with 1992, we find at year's end 1992 Government's net assets were only \$3.16 million, down from almost \$30 million in 1990. They (the last Government) stripped this country of its assets. What a horrifying state to go from assets of \$30 million in a matter of less than two years down to \$3.2 million!

The report clearly shows that the accumulated deficit on recurrent and capital accounts since 1990, after crediting loan proceeds, exceeds \$30 million. Government expenditure has been increasing at a faster rate than local revenue since 1990. An annualised rate of 14.5% compared to 8%. They were heading for economic disaster. Expenditure was going up and revenue was not meeting it. Along with that, \$20 million in taxes were put on the public of this country.

Looking at this summary we find that in the three years set out here, this Government inherited a loss from the last Government of \$3 million. This Government made a surplus of \$41 million. Added to that is another \$18 million which takes it up to approximately \$60 million in 1996. Those are facts from the Auditor General that no one can deny.

There is no way the last Government can criticise any Government since 1984 because its record is the worst in this country. During all of that time it was not only not making enough money to pay the debts, but as the Auditor General has pointed out, it was being given away - personal residences, electricity rates, water rates were being reduced for people, and there were irregularities throughout, money paid to people who no one knows.

I would like to just put straight two other matters relating to this. There are two loans that, while they came into our debt period, are not our loans. That is the Cayman Airways loan for \$16.7 million which was passed by the last Government in June 1992 to pay for Cayman Airways Ltd.'s past debts, but they could not borrow the money and that is a fact. I have seen the correspondence where they were refused. In fact, at the time the Government was desperately trying to raise \$3 million to pay lease payments. They did get the bridging financing for that, or Cayman Airways Ltd. would have been liquidated then. Looking back, it was sad to see the type of letter begging to get that small amount of money. But the \$16.7 million is not this Government's, nor is the \$6 million that came over from the Health Services Authority from prior to 1992.

We know that for a time after we took over (and we had a bad year in 1993) we could not pull the country out of the economic recession overnight. It could not be done, we were too deep into the recession. It took about 18 months to pull out. During that stage we were not able to spend much money. In fact, we had very little capital, but we had the discipline to live within our means. The money we had, we spent. It was not much, therefore we could not do the amount of projects we can now do.

Beginning in 1995, and especially this year, God has blessed this country. We are in an economic boom and the Government now has money (to use a phrase) running out of its ears! So we are now getting projects done which we could not do before. The new Government (I

hope it will be us, God willing) will be able to take this country on a prudent course. We have made \$60 million profit which we have spent on capital. As the Deputy Financial Secretary pointed out, we have not borrowed one penny this year. The total borrowings over the past three and a half years during our time was some \$6.7 million at a time when we repaid some \$60 million which went, naturally, on the last Government's debt.

When you look at the overall position and you exclude the debt relating to Cayman Airways and the Health Services Authority (which were not our debts), or you can add them on to the 1992 debt... however it is balanced out, those were not our borrowings. You will find that there has been a reduction in loans over the period we have been in. It would not have been to the full extent of \$10 million because interest has been accruing on some of it, but I am happy to agree with the suggestion made by the Fourth Elected Member for George Town, that perhaps \$7 million is what we repaid. But it does show that the finances of the country are good and that we are heading in the right direction.

There can be no doubt when you look at the position we are now in, that this Government has not only turned the economy around, but it has paid off a lot of debt which was inherited, and so has Cayman Airways Ltd. Cayman Airways has paid, not a lot, we only pay \$50,000 a month. But over a period of time that adds up. I am a true believer in savings. That is why putting the \$3 million in reserves is one of the best disciplines this House can have. Forced savings, I believe in. If the money is put away it will not be spent. If you have a prudent Government (like we have now in the National Team Government) we will not spend money that we do not have.

Let me say that I am not against... in fact it is prudent to borrow for long-term projects. You cannot build your house out of your wages or your salary. It is just that we have been very lucky to have had such a large surplus that we have not needed to draw down on any funds to pay for the capital works. I am not against long-term borrowing for long-term projects. I think that makes good financial sense. But what you must do is balance it out by putting money into the reserves. The one thing that I have learned during my 20-odd years in banking is that if you have money in the bank (reserves) you can always borrow once you show that you can pay for it. The day you have no money, it is fairly hard to borrow. That was what the last Government found themselves in.

I am very happy and satisfied that we have been good stewards. We have carefully watched the money being spent and have ensured that until we could afford these larger projects.... George Town is getting a lot of roads paved now. There was no money to do it two years ago. God willing, next year (with the right Government) this country will continue to prosper and do well. When the Government makes money, the private sector also makes money. Our families can be better kept than during an economic recession.

I should just perhaps deal with the accumulated amount on page 10. I am not too certain whether this has been taken out of context. Public debt is set out on page

10 of the Auditor General's report. In 1995 it shows that public debt dropped from \$61,161,554 in 1994 (this includes the Statutory Authorities) to \$51,562,050. When we took over, the total debt at that time was \$42.1 million. Added to that had to be the \$16.7 million for Cayman Airways Ltd. and the \$6 million for Health Services Authority, which would have moved this amount up to \$65 million of total debt. I am happy to say, as the Auditor General pointed out, the principal and interest that we repaid in 1994 was \$8,680,579, and in 1995 it was \$15,302,435.

Between 1994 and 1995 alone, we reduced the debt by approximately \$7 million. So what the Fourth Elected Member for George Town referred to in Finance Committee, a reduction of \$7 million this year, is in line with this. We have been paying about \$15 million a year. That has been reducing debt by approximately \$10 million between those years.

What has to be looked at in this is the fact that in the 1993, 1994, 1995 and 1996 statements are \$16.7 million for Cayman Airways Ltd., and \$6 million for the Health Services Authority which is not this Government's debt. We have to pay it back, and I guess that is what happens as Governments come and go. But we cannot be saddled with it. We are paying a very large sum to pay this off, in fact the Cayman Airways Ltd. loan is only a seven year loan so payments on that are very large as compared to 20 year loans which we had some time back for the Water Authority or the airport. So I hope that nobody attempts to take that out of context.

The Auditor General was complimentary of Government and the prudent way in which it handled the finances of the country. I must say that the only reference to Cayman Airways Ltd. in the Auditor General's report was also complimentary, relating to the Miami office. I was very pleased with that.

It is always better for the Government to file a Minute in reply to the Auditor General's report when we are getting near an election because it is not fair, in my view, to leave controversial political matters for a successive Government. It looks as though it will be us anyhow, God willing, but we did file this Minute fairly quickly so that in fairness those areas would not be left for another Government to pick up. That sets out the explanations in the two areas, mainly tourism and water, that we felt should be filed.

I would like to go from there to one other area in the Public Accounts Committee's Report. I wish to look at an area relating to advertising. On page 17, under Advertising and Promotion of Financial Services, paragraph 12, specifically to this area: **"The Committee notes that the 1996 advertising budget for the Portfolio of Finance and Development is \$1,004,000, including a virement of \$250,000. Expenditure charged to this subhead as at 19th September 1996 was \$992,560. On questioning the Deputy Financial Secretary and a representative from Personnel Department, the Committee learned that the former Co-ordinator of Marketing and Promotions in the Portfolio of Finance and Development had committed Government to expenditure of approximately £600,000, mainly for magazine adver-**

tisements for our financial services industry. These commitments were placed contrary to specific instructions from senior officers. The Committee was informed that Government has taken disciplinary action against this officer and has dismissed him from the service with loss of all benefits.

"The Committee further recommends that the Auditor General's office should examine the circumstances of these unauthorised expenditures."

We know that was Mr. Lyndon Martin. That amount in pounds is approximately \$800,000 or \$900,000 that has been wrongly committed and presumably this House is going to be asked to ratify or approve this sum. I think that the approach taken by the Chairman and Members of the Public Accounts Committee, asking that this be looked into is correct. Getting value for money, and the accountability to the public is most important. At least at this stage the disciplinary action was taken and he has been dismissed.

I often wonder, when an officer without authority commits Government to such a large sum, surely a civil action to personally sue for that amount should normally follow. Obviously, that person does not have that sort of money, but there has to be something done. It is not good enough to just dismiss a person and let them walk out of the service. At the end of the day the public pays. The bottom line is that it comes out of the pocket of every person in the Cayman Islands. That is why when you look at this unauthorised expenditure and others such as this by a senior officer in the Government, you sometimes wonder where we are really going and how the untrustworthiness of someone really affects the public.

I promised I would be brief and I would really like to end by saying that I would like to commend the Chairman and the Members of the Public Accounts Committee. I know it has been a lot of hard work. They have spent many hours listening to evidence. It takes much time and effort, but they have been diligent. I also wish to commend the Auditor General for his report. It is very detailed and it deals in depth with certain areas of the different Government departments. He has produced very clear accounts.

Thanks also has to go to the Honourable Financial Secretary and the Deputy Financial Secretary who head up and take the brunt of running what is a very large international Government at this stage with several million dollars a year. I want to thank them for their help during the year and to assure them that the Government continues to support the conservative, cautious spending of public funds and ensuring that the public gets as much value for money as possible out of every dollar spent.

I will end by saying that if we all asked, 'if that money were mine, would I spend my own money in that way? or, would I spend my businesses money in that way?' then that is a higher test that should be applied. At the end of the day the money wasted, as we have seen, by previous Governments, our children have to pay for.

In closing I would also like to thank Members of the House for their support because much of the time, especially over national issues, such as the Cuban crisis

which, by the way, was an extraordinary amount that we were able to pay for out of recurrent revenue, Members came together as one group. This country is in good hands, our finances are good, this Government has made the finances good and we are the best people to continue a good thing.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: At this time of the evening, as the previous speaker indicated, brevity should become the order of the day. I was really wondering if I should speak, but there is one little issue in the Public Accounts Committee Report that I feel compelled to speak to.

First of all, on the cover of every Public Accounts Committee Report, it reads, Report of the Public Accounts Committee on the Report of the Auditor General on the Financial Statements of the Government of the Cayman Islands for whatever year the period is. In the report which we are now debating which is the report for the year ended 31st December, 1995, on page 18 under 'Materials Procurement,' it mentions in the last subsection that, **"The Committee notes that these losses and irregularities are patterns which were referred to in the Auditor General's 1993 Report [not the 1995 Report, the 1993 Report] on matters occurring prior to 1992 which set out irregularities..."** and it goes on, and on, and on with various things. Then it comes down to the **"...waiver of payment of US\$17,400... for installing a water distribution system for a company known as SAC of which the Fourth Elected Member for George Town was a shareholder..."** Let me first of all make a correction. The amount was CI\$17,400, and the name of the company is SACK Investments Ltd. I am still a shareholder of that company. That company is owned by my wife and I, and my good friend Mr. Alfonso Wright and his wife. Those are the four shareholders of that company.

With your indulgence, Madam Speaker, I just wish to read the section which referred to this matter in the Auditor General's report of 1993. It has to do with the Extension of Water Distribution System to New Sub-Divisions (page 34).

"No formal policy has been developed to regulate financial liability for the costs of connecting new private residential developments into the water distribution system. The Audit Office noted that the Authority has operated several policy variants in response to requests for water connections. It was drawn to the attention of the Audit Office that in one case payment of an invoice for \$17,400 was waived. The invoice relates to the cost of installing the water distribution system in a new sub-division. The developer paid \$3,750 for materials by way of a deposit and an invoice for \$17,400 was issued in July 1993 for the cost of installation by the contractor, Petroservicios Ltd. This invoice was subsequently cancelled in October 1993 and the cost was financed from the Authority's long-term borrowing. This action

was not referred to the Board. The Audit Office noted that the justification for cancelling this invoice was said to be to assist the developer in keeping the cost of housing lots to a minimum...."

It goes on into other areas and says, **"This statement does not reflect the official policy of the Board of the Water Authority. It appears to the Audit Office that the practical effect of this arrangement is for the Water Authority to subsidise the costs of private developers. The Audit Office does not consider that the waiver of water connection charges to a developer will assist a Caymanian home buyer, although it may enhance the capital value and marketability of the house lot. The Audit Office is aware of a further \$900,000 of water connection works which have been carried out in 722 house lots in eight sub-divisions, all at no cost to owners or developers. At the date of the audit, it was noted that only 93 of the 722 plots (12.9%) were actually drawing water supplies from the distribution system."** That is what the Auditor General's Report stated in 1993.

The Public Accounts Committee's (PAC) Report for that same year on the Report of the Auditor General mentions the same situation. I do not have to read it again because it basically refers to what I just said. This issue has come up before in this Honourable House. When I first knew of any liability of the company of which I am a shareholder, to the Water Authority by way of any payments that should be made, it was brought to my attention by the Chairman of the Public Accounts Committee. This was in 1994 when the Report on the Auditor General's Report for 1993 was being tabled. When I was made aware of it, I immediately started to make enquiries so that I could get a full understanding of what the issue was all about.

After the Chairman of the PAC spoke to me, I spoke to the Chairman of the Water Authority, to the Acting Director of the Water Authority; and to the Auditor General to make sure that I had a full understanding. I even went as far as to make an appointment to speak with another Member of the Board of the Water Authority.

I do not think that I went as far as to discuss whether or not payment should be made with the Chairman of the Public Accounts Committee; I may stand to be corrected on that, but I cannot remember that discussion. None of the individuals I spoke with said that I should pay that money, or that my company should pay that money. But because I understood what the situation was, and because I thought that the correct thing to do at that time was to pay the money, I went to the Bank of Butterfield and got a bank draft, payable to the Water Authority for \$17,400. I wrote a letter to the Acting Director explaining to him why I purchased a draft. Whether he refused to accept the payment or not, I had already paid for the draft, and whether it was deposited in the Water Authority account or thrown in the garbage mattered not to me; I knew that I had paid the money.

I copied that letter to the Members of Executive Council simply to make my position clear. As far as I was concerned, at that point in time I was grateful that it was

brought to my attention and I thanked God that I was able to do what I thought was right. In the report of the Auditor General of 1994 and in the report of the Standing Public Accounts Committee for 1994 there is no mention of this issue because the issue, as far as the world in general was concerned, was over.

So two years later in the Auditor General's Report which was just tabled in this Honourable House, on page 46, paragraph 3.3.7, under the Water Authority the Auditor General simply says, "**The Financial Statements for the year ended 31 December 1995 were certified on 8 July 1996. I have no report to make on this account. Part IV of this Report deals with my special audit of the Spotts-Pease Bay water distribution project.**" I can see no relation, under any circumstances, to the Spotts-Pease Bay Water Distribution Project with the situation of SACK Investments, which, as I said before was taken care of in a matter of days after I found out about it.

The Report of the Public Accounts Committee on the Auditor General's Report for 1995 at page 18 - seemingly as an after-thought - brings this issue up. Using that specific issue as an example, they tried to tie in Propax and the Spotts-Pease Bay Water Distribution Project.

Any Member in this House sitting in my position today would feel the way I feel. Let me tell you how I feel: I feel that someone, or somebody has deliberately pulled this from somewhere. Everyone in this House knows the facts. Someone put this in here because it is an election year and because it might scare somebody like me, as if somebody had something to hold me over the barrel, or has possibly (I wish I knew) simply made an attempt to question my integrity.

There are some instances where one could easily be led to believe that my assumptions are nowhere near the truth, but if that was not the intention then at least in the statement (since one went as far as to use it as an example) why not state that the money was paid? Why leave that part of it out? This becomes a public document. Regardless of whatever I say in this Honourable House today, or what anybody else says afterwards, this document is going to remain in this Legislative Assembly and ten years from now, someone can come and ask for a copy of this; and not knowing better would wonder what Kurt Tibbetts did. I do not know what anybody else thinks, or how dear that part of their life is to them, but I know that I am not a dishonest person. I know that the rest of the world knows that. I detest to think that anyone would make any attempt of this nature to cast that type of aspersion.

I understand politics. I understand that after tonight I may not come back here. I understand that my choices may not be altogether commendable to others. I understand that. The same goes for the other people. But I respect other people's existence. I can stand here this evening and say that no one in this Honourable House outside of issues can say to me that I have specifically taken them on personally to try and malign them or make them look bad or dishonest in the eyes of the public of this country. I know I do not do that, because I do not believe

in it. My God has told me, "Judge not, that ye be not judged."

I will tell you what else I know. If what I know is not correct, then someone will have a chance to correct me. During the Public Accounts Committee deliberations there was nothing mentioned about this. I also believe that the original document prepared as a report of the Public Accounts Committee did not have that in. If that is not so, then somebody can tell me that. I am only stating what I believe.

I remember feeling this way not so very long ago, and I thought it better to stop. Maybe that is the best thing to do now. In total honesty, I am not even mad. I am not even... I guess I must be getting old. I am not even feeling that someone has done me an injustice and I should do an injustice back. I just feel sad to know that regardless of advantages being sought in the light of an election, that people with full knowledge of a given situation could, by innuendo or whatever (it certainly was not an accident in my opinion), really think that is the way to do things to get an advantage to make sure that they are returned by the public, because they could possibly make the public believe that somebody like me was actually prepared to be dishonest.

It is probably best that I do not let my mind wander; I will not allow myself to do that. I fully realise that if I deal in what is not morally right, I become like those who are like that, and then it makes no sense to me. I will not let that happen to me, even if it sets me at a distinct disadvantage. I will have to live with what I believe, and I will face those consequences. I would rather I be how I am, than like that.

Let me say that it is not an issue that I like to waste the time of this Honourable House with, it certainly would not have been brought up by me had it not been placed in the context that it was. But I want to make it clear that before I was asked about this specific situation I had no knowledge that the company called SACK INVESTMENTS was supposed to have paid a certain amount of money and had not paid it. I will not bother going into all of the gory details which could easily explain what transpired after gaining knowledge of the whole situation, because it involves other people - people who are not even here, people who supposedly wrote letters to other people that other people had not seen before. That is really not important.

I know that each and every Member in this Honourable House understands what I am saying and I am not going to go on about it. But I wish that in times like these every one of us would remember that it is always good to 'do onto others' as we would have them 'do unto' us, because you never know when the shoe will be on the other foot. It is sickening for this country when elected representatives have to be at each other's throats because it is a 'last lick' situation - *he did me this way, so I have to do him so*. That really does not help the country progress.

I take the responsibility that was given to me on November the 18th, 1992, very seriously. Over the few years that I have been here I have learned many things.

But this is another new twist to it all; one that I wish I had not learned.

Thank you, Madam Speaker.

The Speaker: The Honourable Minister for Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: Thank you, Madam Speaker.

I had no plans to speak in this debate because I felt that the matters raised by the Auditor General were sufficiently reported and clarified by the relevant staff officers from my Ministry or my Departments, and from the Public Accounts Committee itself.

I listened to what the First Elected Member for Bodden Town had to say, and I wanted to clarify a few areas there. I can say that I am justly proud of my stewardship of the Water Authority both as Chairman, and as the Member responsible. I am also proud of the present Board.

There is no question that I have taken a lot of abuse, many times when I did not even speak in a debate. I had to listen to the remarks of the Fourth Elected Member for George Town. People may never know what went on in the Water Authority before 1993. It is obvious that the investigations carried out did not reveal any more than they have revealed. But it was not a good position, as a new Member in Executive Council, to find the kind of situation that existed in such an important body as the Water Authority of the country.

I would like to say that I thought that my report in the Government Minute, read by the Third Official Member, was satisfactory. To reinforce what he said, I wish to say that the Auditor General's Report is not critical of how the Water Authority is currently carrying out its business. The projects detailed in the report were contracts which existed between the years 1987 to 1992; new contracts and contracts which continued on into 1993 and ended, I believe, in 1994.

As I said, I can be justly proud of the staff, the operation of the Water Authority and of the commitment that I received from Executive Council and the National Team Members. I must say the National Team Members, because they were the ones who supported me and assisted us in carrying out our programmes while others criticised unnecessarily, and found things that did not even exist to talk about in this Honourable House. Nevertheless, I, too, am in a forgiving spirit.

I had hoped that the last item on the Water Authority would not have been raised in this House. The Fourth Elected Member for George Town mentioned that he came to me as the Chairman, the Minister responsible. When the Member came to me about the matter, I told him that there was an ongoing investigation, and that if I were him I would not do anything until the investigation was concluded. Well, as we heard from him, he went and paid the \$17,000 before the ongoing investigation of the Water Authority was completed.

Nevertheless, I am satisfied that the Water Authority has been paid, as he said. Our policy has been carried out. But as I said, we will never know because as he

mentioned himself, there are people who left this country who had to be dismissed by the Water Authority and the Government.... We will never know. Some of the matters raised by the Minister for Education were very unfortunate. I will say no more. I think enough has been said on it. It is sad that it came to the stage where the Fourth Elected Member for George Town had to make the kind of speech that he did.

I will only end by saying that those persons who are now running around saying how bad a manager this Government has been, and in particular how bad I have been as a Minister, will stop and remember what existed in the Water Authority of this country when we had hundreds of thousands of dollars paid to unknown people. It was a disgrace. I leave that for the public of this country to judge who managed better. I believe that the report given by the Third Official Member clearly says what the present management has been like and, in fact, he reinforced what the Auditor General was saying.

I just want to say a few things in reply to the matter raised by the First Elected Member for Bodden Town in regard to the Marine Institute. The students attending the CIMI total 32, six in residence and 26 in day class. Four of these students are held at the West Bay lock-up due to the fact that they are constantly in breach of their Youth Rehabilitation Order, that is, they fail to attend the CIMI as ordered by the Court.

Regarding the drop in Juvenile Crime (and I had to say to myself when the First Elected Member for Bodden Town was saying that he could not see how credit can be given to the CIMI in the case of falling juvenile crime statistics when only six residential places were occupied), whether he wants to see logic or whether he wants to give credit, the fact remains that the drop in juvenile crime must in great part be attributed to the work of the CIMI. Some of the juveniles who have committed offences in previous years are currently attending the programmes and some have, in fact, graduated.

The point that I want to make is that it must be acknowledged that there are juveniles who would have committed multiple offences or even one offence to which they would have had to answer several charges. This is the case of some of the juveniles attending the CIMI. The fact is that we should understand how many problems can be caused by ten, five or even one young person left to the mercy of the world, uncontrolled by family or the authorities. When you take those juveniles off of the street and engage them in constructive matters, as we did with the CIMI, juvenile crime had to fall. While I am not satisfied that it is where I would like it to be - far from it! - when you think that in 1992 we had 335 and now we have 115 at last count, something has been done right.

Instead of criticising the Government or the CIMI, they should be offering constructive solutions to help solve the many problems facing the youth of this country. But it is impossible when it comes to the CIMI because they oppose it. Naturally, they are going to say that it is not working. They are not going to say that it has assisted the country. How many times have they told the country that it was money wasted? Talk about insinuations about

people's character, go back to the *Hansards* and then you will see how much I, and even the Director of Social Services at the time, was criticised when it was said that we had a share in it.

I know that those kinds of things hurt. But thank God, I do not do things to get money on the back-bone of the people of this country, I do things because I recognise there is a need. These are things that I have been trying to get accomplished for many years. Even that same Member who spoke seconded motions trying to get these kinds of programmes. Now they are criticising them. That is all right. It is an election year.

As far as the educational aspect of the problem of the CIMI, extensive discussions have been held between social services and education regarding the education of students at the CIMI. The American General Education Diploma which was previously offered at CIMI is no longer offered outside of the United States. But I would not want that Member to leave the House with the belief that there was no programme in place. We started out with the American General Education Diploma, but it is no longer offered outside of the United States. So it is not as if we started out with nothing, or something that was not acceptable.

Discussions are taking place regarding the introduction of an academic programme developed by the American Testing Corporation of Princeton University. It must be borne in mind that just a few of the students referred to CIMI are academically able to cope with the CXC and the IGCSE. It would seem futile to introduce this rigid academic programme to the institute. In instances where students with the ability to pursue more advanced work are identified, they are sent to the Community College to pursue various academic courses.

Courses based on the General Education Diploma and the American Testing Corporation curriculum are still being taught at the CIMI. Courses have been adapted to suit local needs. It must be borne in mind that the academic programmes in the school system (which he said they must go back to) may have frustrated the same students.

Regarding his other remarks about how many graduated... I just do not know what they want. Should we graduate them just to say they have graduated? Or is the programme about rehabilitation? Students of the CIMI, as a normal part of their course (just to enlighten the Members) are attached to various businesses in the private sector for work experience. Those who have graduated from the CIMI performed so well on their work experience that the businesses provided them with permanent jobs after graduation. I do not know what the Member wants because it was not made clear, other than a thought that we should send them back to the school.

While education is extremely important, in this instance the main aim in the programme is for those youngsters to be rehabilitated to the point where their attitudes and behaviours are changed and they are once more functional members of society. This is the aim of the CIMI. It can be done, and it is being done, but it cannot be done overnight. There are many people who are

involved who work with these students - Social Workers from the Social Services Department, Counsellors from the Cayman Counselling Centre, the Royal Cayman Islands Police Juvenile Liaison Officer and the Beat Officers have all been doing an excellent job in monitoring the juveniles.

I only pray that I get back and can carry on the work that we started. It is assisting this country. On that note I would like to thank the Justices of the Peace, because the biggest support has come from the Justices of the Peace who see the value of the CIMI. They are the ones who (prior to the CIMI programme being instituted were in Court until after 6.00 in the evening) will tell you now that this programme has had such an impact that they no longer have to have those long days in court. They do take an interest, they visit (that is, the Justices) the programme and talk with the children, they inquire into what is happening at the Ministry. That is more than the Opposition has done.

There is nothing else that I want to add to this debate. I thank the Members of the Public Accounts Committee for the good job they have done in clarifying some of the areas which were raised in regard to my Ministry.

The Speaker: If no one else wishes to speak, I will ask the Chairman, the mover of the motion, if he would like to exercise his right to reply.

Mr. John D. Jefferson, Jr: Thank you, Madam Speaker.

Let me thank all the Honourable Members who took time to speak on this very important report. Let me say that I believe the role of the Public Accounts Committee is to bring to the attention of this House any irregularities or weaknesses coming to our attention regardless of who is involved.

The Fourth Elected Member for George Town mentioned that he did not see how we could tie in what happened in the Auditor General's Report of 1993 with the 1995 Report, but we very easily could. The irregularities that were highlighted in the Auditor General's 1995 Report were under the same management and administration that existed at the time the Auditor General made his report in 1993. No evidence came to our attention from the Auditor General, the staff of the Water Authority, or any other party that the Member in question did not know that this invoice was outstanding regarding a company he had a share in. It is unfortunate that the Public Accounts Committee had to highlight this, but it is imperative that public officers live above reproach. I am not saying that the gentleman is dishonest, I do not have that impression of him. I must say that as soon as I brought it to his attention that it was discovered that there was an outstanding invoice that he took action immediately to have it paid. But I do not believe he can blame the Public Accounts Committee for bringing it to the attention of Members of this Honourable House. Regardless of whether or not he knew about it himself, he and the company he has a share in were extended a special privilege.

I am very proud to say that all of the situations highlighted in the 1993 Auditor General's Report and the 1995 Report no longer exist, with respect to the operations of the Water Authority. The Authority is run in a very professional manner; it has moved ahead to the extent that they now have the ability in-house to do a lot of the work previously contracted out. This must benefit this country tremendously.

I was speaking to the current Managing Director a day or so ago, and he said that the crew he has employed presently for the purpose of laying pipe is working so fast that they have to wait because they have run out of pipe. I believe that the Public Accounts Committee would have been very derelict in its duties if it had not highlighted these weaknesses in the system of Government and the Statutory Authorities. I am aware that because many of these issues have been highlighted, there have been measures put in place to curtail any reoccurrence of weakness or abuse in these areas. As a result, the Government of this country and the people have realised substantial savings of public funds.

Let me once again thank the Members of the Public Accounts Committee for their valuable contribution over the past four years. I think they have made a very valuable contribution with their excellent Public Accounts Committee Reports. We have seen some significant accomplishments and improvements with regard to the workings of Government. I look forward after November 20th, 1996, to continuing to play an active role as far as the running of this country is concerned.

Thank you, Madam Speaker.

The Speaker: The question was that the Report of the Public Accounts Committee and the Auditor General's Report on the Financial Statements and the Government Minute be debated. This has been done.

This now concludes the business for this last meeting before the elections. The House will be dissolved on the 30th of September. I will now ask for a motion for the adjournment of the House Sine Die.

The Honourable Minister for Education and Planning.

ADJOURNMENT

Hon. Truman M. Bodden: I move the adjournment of this Honourable House Sine Die. If I may, with your permission just say...

The Speaker: Yes, let me put the question. The question is that the House do now adjourn. There can be a debate if you so wish.

The Honourable Minister for Education and Planning.

Hon. Truman M. Bodden: Thank you, Madam Speaker.

I take this opportunity to first of all thank you, Madam Speaker, for your very able guidance, for your tolerance at times, and for your wisdom during the four

years of this Honourable House. It has been a pleasure being in this House for four years.

I would also like to thank all Honourable Members for the opportunity to guide this country over a period of four years, and to let the public realise that despite the times when we do fight inside here, it is always good to go into the Common Room and have a cup of coffee or a soft drink together. It does provide the comradeship that is very important to survive in this Honourable Chamber. So, despite the politics of the situation, it is always good, and I think that Members should always go into the Common Room, sit down and face their opponent, smile and realise that politics is politics, and get on with life.

I would also like to especially thank the Clerk, her Deputy, and all of her staff. I would also like to especially thank the Serjeant-at-Arms whom I get more fond of as time goes on. He is a real gentleman and rare in this day and age.

Also the staff in the kitchen, who have not been able to get me as fat as Mr. McKeeva and Mr. Kurt, but they are doing a fairly good job on it.

Mr. D. Kurt Tibbetts: You take most of it, though!

(laughter)

Hon. Truman M. Bodden: I guess with that we show that that comradeship does exist and we can actually laugh and smile like human beings. That is why the country has progressed the way it has.

I would also like to especially thank Radio Cayman which has throughout these four years (and for many years before this) taped all of these meetings and published them; Mr. Loxley Banks and his staff, and especially the staff who man the recorders for the radio in here. Thanks also go to the *Caymanian Compass*. I see Mr. John Redman still hanging in there with us at twenty minutes to eight, and also Miss Carol Winker and Mrs. Mani and the other staff who have reported the meetings of the House over the years. Sometimes we do not see eye-to-eye with them (as we do not see eye-to-eye with Members), but at the end of the day, they do their job well.

I would also like to thank the television station for their reporting. One thing is sure, anyone who sees me inside of a building, or in the evening, will see me for the first time with my eyes fully opened because with the sun so bright, I find that I have my eyes half shut throughout most of the interviews. So I know how overbearing it must be to the television crews who have to stand out there.

I would also like to thank the police for all that they have done, and all of the Heads of Departments in the Civil Service, and staff who have at times assisted and dealt with the questions and many other things for us.

I would just like to say, on a more serious note, that I look forward to a clean election. I think the National Team's Aim will be to keep it clean. I deprecate the vicious attack on the Honourable Minister for Agriculture, Environment, Communications and Works. Thank God

that has been taken care of and his name has been cleared.

One of the things that is so important is that despite the divisions in this House (and I have seen this throughout my period of time here since 1976), when there is a national issue or a crisis, for example the Cuban crisis, all Members of this House get together for the good of the country. That is important. It does not happen often, but when the issue is that important we do get together.

Going first there may be a tendency to miss someone, but if I do, I apologise for it. I would like to wish all Members of this Honourable House, including you, the Clerks and your families, God's richest blessings and to wish you all good luck in the upcoming elections.

The Speaker: The First Elected Member for Bodden Town.

Mr. Roy Bodden: Thank you, Madam Speaker.

I rise... and I suppose I shall have to offer my sentiments on behalf of my colleague, the Second Elected Member for Cayman Brac and Little Cayman, who had to leave because he is going over to his constituency this evening... to offer these sentiments and observations.

The last four years have been a truly rewarding experience. For that we owe much gratitude and appreciation to you as the Presiding Officer, the Speaker, whose patience we have tried on numerous occasions, but who has always presided over this Parliament with dignity and decorum. You have set an example for all of us to follow, and we thank God that we have someone of your stature, with your patience and understanding to have been able to cope with us sometimes behaving like spoiled children.

I also have to offer sincere gratitude to the Clerk, the Deputy Clerk and the rest of the staff. I am sure that I gave them occasion to wish that I were not around with my many demands and queries. I am glad that they bore it in the spirit they did, and I can truly say that I appreciated the service they gave and their unstinting loyalty and willingness.

I would like to make a special mention as my colleague, the Honourable Minister for Education and Planning, did on Mr. Cline Glidden. If I were a novelist or a writer, I would craft a special place for this gentleman in a novel or book of substance. He is a true gentleman. Sometimes I have to look at how he, in these surroundings, can keep a straight and dignified face when jokes are cracked, when insults are traded. Sometimes I wonder to myself what kind of referee Mr. Cline would make, if he would be truly impartial, depending on how we get on. I am sure he must wonder how he would get between us and who he would push first if he had to! This Parliament would not be the same, and I would say that Mr. Cline is irreplaceable in his style and his dignity.

To the people who have the responsibility of reporting, I would like to let them know that I appreciate the interest that they take. As important as we think we are, we would not be so important if they did not put what we said about the things we are concerned about into the newspapers and on the television reports - especially

Radio Cayman, which I think is doing a tremendous job in bringing to the nation the happenings in the Parliament.

To my colleagues and friends I can stand here and sincerely say that while it has been at times a trying and testing relationship, I truly love and respect every one of them. I mean that. I do not know what I would do if I did not have my good friend, the Honourable Minister for Sports, Women's and Youth Affairs and Culture, to spar with, and the Honourable Minister for Education and Planning. I think everybody knows that although we fight, we love each other. The only thing I wish is that the roles could be reversed so that I could get the opportunity to give them some long answers!

(laughter)

Most of all, I am grateful to God and my constituents. I am almost tempted to sing an old sea shanty that one of my uncles taught me, but since I cannot sing... that is right Honourable Minister, I cannot sing!

I think I want to take one more try so that I can have four more years of friendship with the Honourable Minister for Education and Planning, and the Honourable Minister for Sports, Women's and Youth Affairs and Culture and their colleagues.

I could not finish without mentioning the "Whip." We sit here and decide the workings of the Government and the Opposition, only the rest of them do not know that. But he and I decide many times what is happening and who is to do what.

To the Official Members of Government, I can truly say it was a pleasure.

Madam Speaker, God's speed. God's blessing and richness and rewards I wish for all Honourable Members and their families. I too pray that we have a campaign free of violence, free of political vindictiveness, but good political sparring which makes things interesting. I hope that we will be returned with renewed vigour come November.

The Speaker: The Member for North Side.

Mrs. Edna M. Moyle: Thank you, Madam Speaker.

I would first of all like to thank you, Madam Speaker, for the guidance you have given me during my first four years as a Member of this Legislative Assembly. I think the training I received as Deputy Clerk from you, when you were the Clerk, prepared me well for this position. I would also like to thank you for the nice dinner you provided for us today.

To all Members, Elected and Official, I would like to say that it has been a pleasure for me to have been a part of this Legislative Assembly for the past four years serving in your company.

As the Honourable Minister for Education and Planning and the First Elected Member for Bodden Town said, at times the debate was heated. There were times when one would have thought that someone would walk across the floor and pass a blow; thank God, that did not

happen. When we left this Chamber we could all laugh, talk and be friends. For this, I am very thankful.

I would like to thank all Members of this Legislative Assembly for giving me the honour of serving as Deputy Speaker of the Legislative Assembly. I hope I made you justly proud when I sat in that chair, Madam Speaker, and Members of this House.

I would like to wish all Members good luck in the upcoming election and to stress the need for a clean campaign. The Cayman Islands is a very small community and things such as what happened to the Honourable Minister for Agriculture, Environment, Communications and Works can destroy one's character.

I look forward to returning to this Parliament after the November election, God willing, to see you sitting in that Chair once again as the Speaker of this Legislative Assembly.

(Hon. Members: Hear, hear!)

To the Clerk and her staff I would like to say a very big thank you. When I say staff I include Mr. Cline too. As the First Elected Member for Bodden Town just said, he is a proper gentleman. It includes Anita and everyone else for the dedication they have shown during these four years.

I will be repetitive (I guess we all will be), but I too would like to thank the press, particularly Mr. John Redman who has stuck with this Parliament. I think he has totally enjoyed my very short debates during these four years which enabled him to report in depth on my speeches. I thank him for this.

Finally, I am deeply indebted to the people of North Side for having had the confidence in me to allow me to represent them for the past four years. It has been my pleasure. Indeed, it has been a pleasure to work to provide the district of North Side with well-needed facilities. God willing, and with my proven dedication and ability over these past four years, and with the great confidence of the people of North Side, I ask them to consider returning me to this Parliament on 20th November, 1996, giving me the honour to represent them for a further four years.

May God bless each and every one of us as we go into this election, and let us remember that we are all human beings. Let us go in with that understanding before we say something that we would not like to have said about us.

Thank you, Madam Speaker, and may God bless you all.

The Speaker: The Honourable Minister for Sports, Women's and Youth Affairs and Culture.

Hon. W. McKeever Bush: When this House is prorogued on the 30th, I would have served my people here in this capacity for 12 years. I have seen four Governors come and three go, and I have seen three Presiding Officers give service in this House.

I have seen many changes during these 12 years, and my, how this country has changed in 12 years. I

thank my people for giving me that opportunity, putting their trust and confidence in me, and I am thankful for the assistance given to me to have been able to put forward many initiatives in my 12 years. It was only in this last four year period that many of the initiatives I attempted from my very first time in this House were actually put in place.

I thank my colleagues for giving me the chance to serve on Executive Council. I know they believe that I am rough at times, but I hope that I have satisfied their trust. When I look back at some of the accomplishments I think we can all be justly proud. I look at the many issues facing the country - housing, we were able to provide 135 Caymanian families with new homes, as compared to less than 50 in 12 years.

When our people say they are not getting anything out of the economy, I am reminded that Caymanian families have gotten over \$400 million for houses, whether it be a dwelling house or apartment in these past four years.

I have seen many students (and I am very proud of this) get the chance for further education because I recognised the value. It is something that I wanted to do, go to college or university, but I was not afforded that opportunity. I am glad that over \$3.5 million were given on student loans. Plus over \$4 million for scholarships.

I have seen Pension Legislation put in place. I have seen Labour Legislation, which I had to fight for. Thank God, people have longer vacation periods, young mothers have more maternity leave and there is mandatory time off when a close family member passes away.

There has been a decent increase in sports programmes and coaches for our children so they can learn more and be more disciplined.

I can never forget the time I moved a motion for the order of a National Hero. I walked out of this Assembly with tears in my eyes because I was virtually laughed at by the Executive Bench at that time.

I remember when you were sworn in, Madam Speaker, and I rose to say my congratulations. I remember the words distinctly: "When you, on this side are someplace else, and we on this side are over here, we will get those things." So it is. We now can recognise our own Caymanians who have done so well for this country in so many areas. I am glad that you will be honoured on the 9th of November... *(applause)* as the new National Hero. And why not? For you have done your part for the growth and development, the implanting of character in many young people from Christian Endeavour Days. I remember you, Madam Speaker.

I wanted to see National Symbols we could identify with. We can certainly identify with the Silver Thatch, and with the Banana Orchid. And even though we do not like the Parrot, we have a National Bird!

I am happy that I have been able to see a rehabilitation programme like the Cayman Islands Marine Institute (CIMI) put in place. I am proud to know that I could put in place Cayfest which had its debut this past month and closes tomorrow.

I am happy for these things, not because it brings me any particular glory, but because these are things the country deserves. In the midst of all of our economic boom, and all the things that we have put forward for growth, we must remember the social development. We cannot leave our people behind. We must not. Whether I am back here or not, I say, do not do anything to leave the people of this country behind at a time when we are groping and holding on to those things which make us unique. I am proud.

If I have any regrets over the last four years, it is that I have been unable to see everyone who wanted to see me. But I am only one person and it was physically impossible.

The other matter I have much regret over (which bothers me, but I gave the reasons during the debate for the Conflict of Interest Bill, and I will not do it now), is to hear so much rumour and slander, with responsible people repeating it as if it were the truth. I put it down over the four-year period to this: We did not have a Constitutional issue, we did not have a Cayman Airways issue, we did not have a hospital issue - no big national issue - so rumour mongering and slanderous insinuations took their place.

I worked with my colleague the Honourable Minister for Agriculture, Environment, Communications and Works on Executive Council and it hurts when someone strikes out at someone close to you. You realise that it could happen to you, and you ask 'Am I next?' These are the times we live in, but let us Caymanians not destroy ourselves.

The other matter I have much regret for is the fact that I was unable up until now to get a lower income housing scheme, but I could not have very well left out the area that we are servicing. This will come in due course. These are the things that make us move and give us some emotion at this time.

Before I move further, let me say my quota of thanks to some people. I would like to give praise and credit and say thanks to people who can hear me now, rather than whisper it. If you have something good to say about somebody, say it to the world.

I would like to give thanks to the Temporary Third Official Member. He is more my age group, and a very knowledgeable young man. He is one whom I have learned to lean on at times during my four years. We worked together at a very crucial time when we had to make a decision on the Health Services Authority and he was the new Chairman.

This country can be proud of a young man like him (*applause*). I believe that he will go far in the Civil Service, and I am glad to see that he is one who is staying there. I was pleased to be his marriage officer many years ago, and in that area he is also doing an excellent job!

I wish to record in the *Hansards* my gratitude to Jennifer Dilbert who has left our Service. I know that she is going to be back. She is out getting experience. Mrs. Dilbert did an excellent job in the department of Financial Services. It was reorganised under her tenure. She trav-

elled far and wide to promote our Cayman Islands. Our international business grew. She was there when we had to make the decisions to cut down on our costs and fees, but I remember her advice. I remember how well she handled herself. Here is a young woman whom this country can be justly proud of. I am sorry to see her out of the Service at this time, but I know she will be back.

Kirkland Nixon is an old soldier in the Civil Service, but let me say publicly here to Honourable Members that I do not know of any other person in the Civil Service who can give the kind of sound advice that he can give, with the desire to see our people move forward and upward like him. So I want to say thanks to him for all of his assistance.

So it is with our Chief Secretary and the Deputy Chief Secretary. I have taken issue at times with them, because I do not necessarily always agree with what everybody tells me. I do know this: They are good Caymanians and good civil servants. I thank them for all that they have done.

There are many Civil Servants I think of. I served four years on the Council with Mrs. Mona Jackson. She is a meticulous lady, really from the old school. We can be justly proud of someone of her calibre. We have a new secretary, a very capable young woman. She has just been there a short time, but I look forward to serving four more years with her as well, God willing.

I cannot close without thanking my staff. We have a big Ministry, one in which I believe they love to work. I must say a thank you to my secretary, Mrs. Jennifer Ritchie, for her loyalty and her hard work as I keep her long hours at night in the Glass House. There are many young staff members there whom I know will continue to make this country proud. They are excellent staff members. I hope that whoever gets them will take good care of them.

I too want to add my thanks to the reporters who reported from this House. I have had my tiffs with them, but they do a fairly good job. I do thank them for what they have done over the past four years.

I want to thank the Clerk, Mrs. Myrie, and her staff. I have had occasion to travel with her several times and I found her to be loyal to this House and to the work. The staff of this House... you know civil servants get criticised all the time, but we can say that in this legislature we have a good staff. When I travel and hear some of the reports from other Parliaments about what exists in their countries... saying 'thank you' to the Legislative staff is simply not good enough. But I do thank them for all that they have done.

Mention was made of Mr. Glidden, the Serjeant-at-Arms. They can all speak of him here, but I am more fortunate because West Bay is better off for having an outstanding son in Mr. Cline Glidden!

(*Inaudible interjection*)

Hon. W. McKeeva Bush: Someone is saying that he is from South Sound! I agree, good people do come from South Sound. But he is a West Bayer!

Last but not least, I want to thank you for your able services. I know that at times we have not always agreed on points. There were times when I felt that you were hard on me. But you are our Speaker, a capable woman, a good Caymanian; I am proud to have had you as Speaker of this Legislative Assembly. I have to say everywhere I go that there is no other person in this country more able than you are to have been appointed as Speaker; and then receive the support of this House for a further four years in 1992. As far as I am concerned, you will have my support.

Even though I felt you were hard on me I realise that I, too, could have been wrong. I am glad that we were able to have prayer meetings over which you very ably chaired. I enjoyed the camaraderie, but more importantly, I got some benefits from your spiritual insight. Most of all I wish you God's speed. I hope that your health and strength will always be good.

I want to thank God for blessing these islands with so much good. While we have our problems, the people of these islands have a lot to be thankful for. We only have to look at the television or read the news or travel a little bit - not to Africa or India - we only have to travel around the region to see how good we have it in these islands. Did this come about just so? I do not think so. It is the hand of Divine Providence. I always believe that.

I miss my very close friend, Miss Mary, who had to leave her service here after so many years (20-odd years) of feeding us. But she was like a mother to most of us. We wish her well, and hope that God continues to bless her.

As for the campaign, I wish everybody... let me rephrase that, I cannot wish everybody well. I hope that they have a change of heart and join the National Team where they belong. I hope my good friend, the First Elected Member for Bodden Town will come back. I know he is not satisfied where he is. But I pray God's blessing on him. Sometimes you do not have to have anything said to know what a person is feeling - you can see it!

As we go on in our nocturnal activity let us all be aware of where we are today. Let us be aware of where we have come from. Let us be aware of where we want to go; most of all, let us be careful how we get there.

To all of my colleagues, I thank them for working together. That is how we achieve. Last but not least, let me thank the First Elected Member for Cayman Brac and Little Cayman. We have not always seen eye-to-eye, but where we could we got together for the good of the country. While he is not a National Team Member on the books, he is one in spirit. I hope that the people of Cayman Brac return him because he has done well for Cayman Brac.

I better not take up any more time. God's speed.

The Speaker: The Third Elected Member for Bodden Town.

Miss Heather D. Bodden: Thank you, Madam Speaker.

I have spent only a short time here in this Honourable House, but I have thoroughly enjoyed every minute of it. I now take this opportunity to thank my family and friends who encouraged me to run in last December's by-election. I thank all my committee members for putting their trust and faith in me over the past nine months. I hope that all of my supporters will once again put their faith in me on November 20th.

I extend my sincere thanks to you, Madam Speaker, for your guidance, your encouragement and afternoon prayers. I truly appreciate the services of all the staff members here at the Legislative Assembly, and thank them for all of their help. To Anita I give a big thank you for all of the meals she has prepared.

What can I say about Mr. Cline? other than that he is a true gentleman.

I thank the security staff for welcoming us so warmly each morning. It is such a pleasure to have the door opened each morning.

Thank you, Mr. John Redman, for your fair coverage.

I thank God for giving me the opportunity to serve my people over the last nine months. It is my nightly prayer that the upcoming election will be a clean one. God bless each of you, and thanks again.

The Speaker: The Third Elected Member for West Bay.

Mr. John D. Jefferson, Jr: Thank you, Madam Speaker.

Let me add my thanks, first of all to Almighty God for His many blessings, His wisdom and guidance over the past eight years. I distinctly remember my first session as an Elected Member, the first week after being elected in 1988, one of the first issues we dealt with was the abortion issue. It took some getting used to, sitting and having somebody pound you for four hours, and not having the opportunity to rebut what was being said. I remember going to church that Sunday, and it was such a pleasure to be in an environment free of animosity and tension. But I want to say that I believe that those experiences over the past eight years have made me a better person, a stronger individual.

The objective and desire I came here with was to represent my people, that is Caymanians, especially the common man, the ordinary citizen who at the time I chose to offer my services as a representative seemed to have very little voice in this House.

I also want to thank my people of West Bay for giving me their support over the past eight years, and to say that it has been a real privilege to serve as one of their Elected Representatives. I want to say that it has been a real pleasure to have been a Member of this House for the past four years as a part of the National Team Government.

I believe that we have accomplished a lot. I believe that we have been able to provide many of the services and facilities that our people needed. I believe that our people appreciate what has been accomplished. I look forward to continuing to serve in the capacity of an Elected Representative after the next election.

I also want to say thanks to my colleagues, that is the Representatives of West Bay, and also my colleagues on the National Team. We moved forward over the past four years with a single objective and a single voice, looking out for the best interests of our people.

I also want to add my thanks to you as Speaker. You are a lady I have always had a lot of respect for. I think that the people of this country can be justly proud of a lady of your calibre. I believe that you have served as Speaker in a very distinct and professional manner. I believe we are fortunate to have had you appointed as our first Speaker of this Legislative Assembly. I trust that if you still have a desire to continue as our Speaker after the upcoming election and with God's help and the support of my people, I promise to also support your re-appointment as Speaker.

I also want to add my sincere thanks to Mr. Glidden. In fact, Mr. Glidden and I are related. He is an outstanding gentleman. I expect no less from him because he is a good, decent West Bayer; and West Bay is known to have produced some very outstanding citizens. He is one of those persons.

I want to urge all candidates in this upcoming election to run a very clean campaign without violence and mudslinging. I believe that this is one of the things which sets us apart from many of our Caribbean neighbours; we are able to conduct business at that level and still do it in a very decent, orderly and safe manner.

I also want to say thanks to the Clerk and her staff for their able support to us as Members, and also for serving in the capacity of Clerk for the many Select Committees that we have created in this House over the past eight years. They have done an excellent job. I believe that the Legislative Assembly can be justly proud of the staff here.

In closing I want to say thanks once again to my people in the district of West Bay, and I look forward to their continued support in the upcoming election. I wish every Member of this House, that is, Elected Members, the very best in the upcoming general election. May the peoples' voices be heard.

Thank you, Madam Speaker.

The Speaker: The First Elected Member for Cayman Brac and Little Cayman.

Capt. Mabry S. Kirkconnell: I want to thank Almighty God for the many blessings He has bestowed upon the Cayman Islands and our people. I want to express my deep appreciation to you, Madam Speaker, for all that you have done for the country and for me as an individual. I was privileged as a freshman 16 years ago when I came into this Honourable House, to have you as mentor when you served in the capacity as Clerk. I certainly had a lot to learn, and I still have much to learn, but what I learned from you helped me to carry on during that period of time.

I am most grateful for all that you have done for the country, and I am very proud that the country has be-

stowed such a high honour as that of National Hero upon you.

I would also like to thank the Clerk and all the staff of the Legislative Department for their able assistance in running the department. Mr. Cline, like me, is a former seaman so I greatly appreciate his regimentation. Often times he runs us in when he needs one more for a quorum. Nevertheless, Mr. Cline, I guess that is the way you get it done.

I am very grateful to the kind ladies who serve us the food. As the Honourable Minister for Sports, Women's and Youth Affairs and Culture spoke about Miss Mary, I certainly wish all that is good for her. She served us faithfully for many years.

I want to congratulate the press people for the work they are doing. I think that my district probably appreciates Radio Cayman more than any of the other districts on this Islands because we do not have the opportunity to come to the legislature unless we go to substantial expense, and they are able to keep in touch every night. They certainly do a good job of reporting what happens in the legislature, and make it much easier for us since they disseminate the information directly.

Over the 16 years that I have been privileged to represent the people of Cayman Brac and Little Cayman, we have seen much accomplished. I am most grateful to my constituents for the confidence they have placed in me during the last four general elections. It is my intention to seek re-election on 20th November, and if it is their desire that I be returned, I look forward to serving them for another four years.

The responsibilities of a legislator are numerous. I think people often underestimate our desires. We are not able to accomplish all that we would like. I stand here this evening to say that many items I would have liked to have seen accomplished I was unable to achieve. But I am most grateful to the Government because I think that in the past four years Cayman Brac has fared exceptionally well. Our infrastructure is highly developed. I am very happy that we have the Honourable Chief Secretary as the Member responsible for District Administration. With his great knowledge of the needs of that District we are in good hands.

Again, I want to say how grateful I am to the Elected members of the Executive Council for all of the support they have given to me as the representative of Cayman Brac and Little Cayman during the past four years.

There is a lot more that I could say, but it is late. I just want to say to all of the people of the Cayman Islands that I sincerely hope that this will be a clean, peaceful election. We are God-fearing, peace-loving people. Let us exercise our democratic right without violence and without tearing down our fellow man. Let us portray ourselves for what we truly are and do the very best we can, if God spares our lives and our people choose to return us to this Honourable House.

Thank you, Madam Speaker.

The Speaker: The Third Elected Member for George Town.

Mrs. Berna L. Thompson Murphy: Once again I would like to publicly thank the people of these islands, especially the people of George Town for having placed their trust in me to be their representative in this Honourable House. I hope that I have proved worthy of their expectations. I have tried to carry out their wishes at all times. I have voted and represented them in the manner they wished.

I thank you, Madam Speaker, for all of your guidance and the wonderful comradeship you shared with us, from buying us lunches, to popping your head into the Common Room to see how we were doing. At times we have not agreed with what you said, but we have given way to you knowing that your word was final. But we have looked to you for guidance, and I think that you have given us the proper guidance which you honestly thought should be given to us, the 15 elected representatives in this Honourable House, and of course I cannot forget the three Official Members.

I have enjoyed working with all of my colleagues, especially my colleagues on the National Team. I look forward to another four years with you. I thank the Elected Executive Council Members for their stewardship over the public's finances in setting up all of the programmes and policies, making sure that the islands continue to be stable and remain the wonderful place that we live in today.

I thank Madam Clerk and her staff as well. I would also like to remember Miss Mary because she used to cook some wonderful salt-beef and beans and all of those good fattening things for us! I hope that she will have a speedy recovery. Also I thank Miss Anita for all of the good fruits and goodies she so lovingly prepares for us.

I thank the Deputy Clerk and the Clerk, who worked very closely with us in our Select Committees, and I know we certainly had enough committees. I am sure that for the next eight or nine weeks I will be happy not to hear about another committee. To the Members of the House Committee and the PAC, I would like to express my sincere appreciation for having worked with them.

I thank Mr. Redman of the *Caymanian Compass* and Mrs. Mani, and Radio Cayman. Sometimes after spending all day in the Legislative Assembly we are tired, but it is good to tune into the broadcast in the evenings to hear what we maybe did not fully comprehend that day. We thank Radio Cayman.

CITN was here, but not as often as Radio Cayman and the *Caymanian Compass*, but we appreciate their reporting as well.

Madam Speaker, I know that I have been called a freshman, green behind the ears, and I am sure I have stepped on some people's toes. I ask for forgiveness if I have. I am not known for being diplomatic. I am sure that I have not always been very diplomatic to others here, but I do ask for forgiveness.

I have enjoyed the opportunity of serving and I would like to be re-elected. However, if I am not, I will continue to work in the community to make it a better

place to live in so that my children and grandchildren can enjoy some of the privileges, in fact all of the privileges that I have had while growing up in these islands, and to make it a better place for all of us.

Thank you, Madam Speaker, and God Bless all of you.

The Speaker: The Fourth Elected Member for George Town.

Mr. D. Kurt Tibbetts: It seems almost like yesterday when this present Legislature was sworn in on 25th November, 1992. Since then, I have had the wonderful opportunity of being able to be of service to my country by being one of the representatives for the district of George Town. I will be forever grateful to my God and to the people for that opportunity.

While I was listening to all of the other speakers before me, I realised (and I believe that I speak for all Honourable Members) that you probably do not realise the impact that you have had on our lives. (*Applause*) I will personally be forever grateful for your guidance, your patience and your kindness. But most of all (and I think that again I speak for all of us), I believe that had you had the time, we could have all been your children - most of us, that is! (*laughter*) I speak not of age, but I speak of the way in which you handle yourself as the Speaker in this Honourable House.

Before I move to another area, let me reiterate what others before me have said. If I have anything to do with it, and if you are willing and prepared, you will certainly be back where you are right now after the general elections in November.

The entire staff of this Legislative Assembly have been more than what they had to be, to me. I have at all times found each and every one of them to be as cooperative as I could expect; sometimes I got more than I thought was possible through that cooperation. The Clerk, the Deputy Clerk, the girls (as I call them) are all very special people to me. Every time I come here, I realise that each and every one of them serve a special purpose, and I am very grateful for their attitude, their consistency and their ability to do what they have to do to meet our demands.

I think that everyone has mentioned the goodly Serjeant-at-Arms. I cannot fail to pass on my gratitude for his service during these past four years. I think, having heard everybody speak about him, we can now call him the Good Shepherd. He certainly keeps the flock in check. His demeanour is such that at the worst of times, a gentle smile from his face makes me realise that it is not all over yet, that there is still more that can be done. There is always that glimmer of hope when I look at him.

Miss Mary, who has had to take leave because of illness, will always be very dear to all of us here. I have not had the good fortune of being here for many years with her, but I know her outside of here. She certainly filled many gaps while she was here that would otherwise not have been filled. In saying that, I think it is only fair to say that the other young lady who was assisting her, and

who is now taking full charge in providing the niceties the Minister for Education referred to which kept us together all of these years, is doing a wonderful job. I am sure that she will continue to do a wonderful job.

In mentioning everyone, I cannot leave out the other Members of this Honourable House. Some of them refer to each other as colleagues. I respect the fact that I am here on my own. Nevertheless, I can only say to all of them that I believe (notwithstanding our disagreements at times) that it has been a good four years. I believe that on many occasions (without their admitting it) the Government has listened to what some of us on the Backbench have said. That is how it should be (I respect that). I do not expect them to jump up and say, 'Yes, you are right!', but when we see the results, we know. Even when there are differences, I believe that at the end of the day all of us here have the single desire to make the country a better one.

I express my gratitude to the Official Members. They have always been very helpful and willing to provide information for me. Let me say that while I know the Civil Service is almost removed from this process in a certain way, because this is where politics enter, I think that all 15 Elected Members of this Legislative Assembly would gladly say that the Civil Service on a whole continues to play a very vital role in the success story of this country.

It is easy to recognise Heads of Departments, whose names you will remember first, but there are many others in the Service who do a wonderful job and help to keep it all together. I wish to record my gratitude to them for their continued efforts in the tasks they perform on a daily basis, even when most of us do not even know what they are doing.

As I look directly in front of me, the goodly gentleman from the newspaper is writing as he usually does. Sometimes it is Mr. Redman (who is here now), sometimes it is another person. I see there are two Members of the press here this evening. I wish to thank them also because they are a very important part of the dissemination of information to the population concerning the happenings of Government. They do a good job and I would be willing to bet that they continue to do a good job.

During my short time here, I have been privileged to learn more within that period of time (I can safely say this) than during any other similar period of time in my life. I will be forever grateful. It has made me a much more rounded person (not in size) with a lot more knowledge than I came here with. I only hope that I will be able to use that knowledge to be of more service to this country.

To the people of George Town who gave me the privilege of serving these past four years, I say thank you. I also say that I believe that as one of the representatives for the district I have done the best that I could with the tools I had to work with. I know that my life is in their hands again as of this evening, and I will do the best that I can on the campaign trail to prove that I am worth re-election. But, like everyone else here, I realise that they will decide.

Whatever transpires, let me say that my sole intention in coming here from the very beginning, and my sole intention in desiring to be here after this, is to be of service to my fellow man and to my country.

I thank you again for your guidance during these past four years. I wish to say good luck to all of the Elected Members here (I do not have to decide which ones to wish that to or not; we all know that the people will decide who comes back here after the elections). I wish those who are returned every success in their future endeavours to move this country forward to a brighter tomorrow.

Finally, I wish to thank God for all of the blessings, including the trials, he has bestowed on me and all of us. I am sure that with a little more trust in him we can only move forward as a country to bigger and better things.

The Speaker: The Second Elected Member for George Town.

Dr. Stephenson A. Tomlinson: Madam Speaker, I have earned the reputation of being very brief in the Legislative Assembly, and I know that this has come as a surprise to people who know me in other capacities.

Four years of one's life is a very significant part of it considering that we only live about 70 years or so. I can truly say that the past four years have been truly enlightening to me and I have appreciated the experience. I have had the opportunity to support initiatives which I consider have been in the interest of the Caymanian people, and I feel very rewarded to see some of the results of Government's efforts. I am convinced that because of that, the Cayman Islands are a better place in which to live in 1996.

Whether or not I am re-elected, I feel that it has been worthwhile supporting those things which I have considered to be very important in improving the lifestyle of those who support me and the National Team.

I wish to thank you, Madam Speaker, and your very capable staff here in the Legislative Assembly for all of your assistance. I will not reiterate all that has been said here, but I join with others in thanking everyone who has been of such great assistance and so helpful allowing the affairs of this House to be successfully conducted.

On the 20th of November I believe that the public will make the wise choice as they go to the polls and that we will continue to have good representatives in this House and we can be assured of political stability and economic growth because of the wisdom of the Electorate.

I wish to close in thanking you, your staff, the constituents of George Town who elected me. If they so desire, I am very willing to serve them for the next four years.

The Speaker: The Fourth Elected Member for West Bay.

Mr. D. Dalmain Ebanks: Thank you, Madam Speaker.

This is not my first time for me to ride out a term in this Honourable House. I want to say that these past four

years were really enjoyable. I think I have made better friends; I got to know some people whom I did not know, such as the Hon. Attorney General and the Hon. Chief Secretary. I found them to be gentlemen.

Madam Speaker, as our leader and guide, you must be congratulated on the way you ran the House. I want to thank your staff for all they have done to help us along in this House, as well as each and every one of my colleagues for the good times we have had here together. There were some hot times too, but I was not really involved in the heat. This time I tried to keep out of that!

We are now going into election time, the campaigning has started. I hope that the campaign will be run much the same as was the business of this House - hot times, but no hard feelings.

We came here to do a job and I am proud to have been one who got the job done. We have to look back and remember where we came from and see where we are today in the Cayman Islands. I know that God had his hand on us, but it was good thinking and good stewardship that brought this ship to be anchored where it is now.

After the election, if we are returned here, I will be happy. If a new Government is formed, I will still be happy and I will wish them luck. I wish to say that whoever walks back into these hallowed Chambers I hope they will try to keep the good ship *Cayman* on the right course - the one we are on now.

Madam Speaker, I enjoyed your prayer meetings, the singing.... If you do not mind, I will sing a song for you now! Can I?

The Speaker: Please.

Mr. D. Dalmain Ebanks: *(The Member proceeded to sing an original composition, entitled "You'll Love Grand Cayman.")*



*If you're fond of blue skies and snow white sand,
A place to relax and play, holding hands,
Where the air is pure, and the view is grand;
You'll sure fall in love with Grand Cayman.*

*Oh, you'll know that your dreams have all come true,
While gazing at the miles of blue.
And for making love, and lying in the sun,
There is no place like Grand Cayman.*

*Oh, you'll love the Isle of Grand Cayman,
With its crystal waters and snow white sand;
Where the drink can be served with an ocean view,
While enjoying a meal of lobster stew.*

*If you pay a visit, you will want to stay
And enjoy the moonlight along the bay,
With the breeze that blows across the land,
You'll sure fall in love with Grand Cayman.*

(Applause)

Hon. W. McKeever Bush: Hear, hear!

The Speaker: The Honourable First Official Member.

Hon. James M. Ryan: Thank you, Madam Speaker. That is a hard act to follow! *(laughter)*

In the interest of brevity, the Honourable Second Official Member and the Honourable Temporary Third Official Member have asked me to include them in my remarks.

I would like to begin by thanking you for the able way in which you have guided this House ever since you have been the Speaker. I have only been here for a relatively short time. I would also like to thank you for not only being the Speaker, but for filling the role of spiritual leader here. I think that has been very important, and I hope that it will continue.

In expressing thanks, I would like to thank the Clerk and her staff here in the Legislative Department. It would be remiss of me not to single out Mr. Cline as earlier speakers have done for special thanks. He is truly a remarkable person. The Official Members have the added treat during the time when the Legislative Assembly is not meeting of seeing him up at the Glass House. He frequently comes into my office and he always has the cheerful, ready smile which always serves to brighten up the day. We want to especially thank him.

I want to express special thanks to you Madam Speaker, for the lunch you treated us to today. It was enjoyed and very much appreciated.

Thanks also go out to the electronic and print media for the very able coverage that we have received and continue to receive. To Radio Cayman, one of my departments, its director and staff continue to do an able job in keeping the public informed and we thank them. To the staff of the *Caymanian Compass*, Mr. John Redman, who I am sure could be enjoying himself elsewhere, and to Miss Carol Winker, they are both working very late covering this evening. We also cannot forget Mrs. Mani and others who cover the happenings here in the Legislative Assembly.

I would especially like to thank our elected colleagues on Executive Council for all of the assistance they have given to us, both in and outside of the Legislature. I must also express thanks to the Members across the floor. There were times when we would have preferred not to have had so many Parliamentary Questions, but, as I told one Backbencher some weeks ago, it certainly keeps me on my toes and I sometimes learn things that I did not know before. So even over that, we will not fuss or complain.

As my thoughts turn to the General Election I recently dispatched a circular to all civil servants through the heads of departments reminding them of their responsibilities and duties in respect of political activities before and during the elections. I trust that all civil servants will remember that they are to be impartial.

While on this, I would like to appeal to all Elected Members and, indeed, all candidates in the upcoming

election to respect the division between the civil service and the political arm of Government and to avoid unnecessary criticism of the Civil Service.

We, the three Official Members, are glad that we do not have to fight an election, but we would like to wish for all Elected Members a level playing field and good luck on 20th November. We pledge our full cooperation to the political representatives which our country elects in the upcoming election.

Finally, I should like, on behalf of my colleagues, to wish for you a much needed rest as we conclude this evening; indeed, we will be closing another chapter in the history of the territory when we adjourn. We trust that you and the Clerk will have an enjoyable trip to the Holy Land, and we look forward to seeing you in the Speaker's Chair, and the Clerk back as well, when the new House is convened.

Finally, I would like to thank Almighty God for all of the blessings he has bestowed upon us here, for His protection and for seeing us through each day. My good wishes to everyone. God bless you all.

The Speaker: This brings us to the end of the 1992 to 1996 Legislature of the Cayman Islands. Before I put the question, there are a few comments that I would like to make.

It now remains for me to thank all Honourable Members and Ministers for their hard work during these years in the business of the Government of these islands. Members have been regular in their attendance at meetings. Of course, you know Ministers have duties which call them abroad occasionally. Later on I want to refer to the matter of Select Committees.

I do not intend to speak at length, but I would like to make some comments on recent achievements which were carried through during this period of 1992 to 1996. Most notable, in my opinion, was the establishment of an office for Women's Affairs in 1995. As everyone knows, this motion by the lady Member for North Side and the Third Elected lady Member for George Town has brought to the forefront the issues which affect women and girls in these islands. It will, and rightly so, find a prominent place in the annals of the history of these islands.

There is still much work to be done, and the persons in charge of this office have to be congratulated for the enterprising and invigorating way in which they have assumed the duties and tackled the problems. The Cayman Islands can now be counted among the many governments, particularly within the Caribbean area, of having a women's desk attached to a portfolio.

Notable also was the recent passage of Legislation for a Register of Interests for Members of the Legislature. I think you would like me to thank the Chairman of this Committee for the admirable way in which the Committee has dealt with its deliberations on this issue, and also for the Code of Ethics for Members. Their recommendations on the latter issue follow the lines recommended in the first report of the Committee in the United Kingdom on the Standards of Public Life. This was chaired by Lord

Nolan in May of 1995, and is now known as the Nolan Report.

Of interest are the number of sittings for this House during the period of 1992 to date, 27th September, 1996, were 171. Sittings of the House for February 1996 to date, were 38. One hundred and ninety-one questions were submitted. I am unable to say how many were answered, or how many remain unanswered.

Select Committee meetings covered 23 days during this year. There were six occasions when a quorum was not met. Standing Committees had a total of 22 days and altogether there were 83 days of meetings.

It is hoped that when the new House commences consideration might be given to having fewer Members on Select Committees, rather than the whole House, or alternatively, the quorum could be reduced; so that if you have five Members the Committee can operate.

The Standing Committee of the House, Business and Public Accounts have five Members. We thank those Members who were able to attend as regularly as possible, but I think that I need to say that if a Member is on a particular committee he or she should make every effort to attend unless hindered, as our Christian Endeavour pledge said, 'by some reason you can conscientiously give to our Lord and Master!' Also, Chairmen of Committees and Members have the great responsibility of operating within the confines of the Committee. That means that no Chairman or no Member can do something on behalf of the Committee unless so dictated by the Committee. This is very important.

Any matter sent to any Standing Select Committee is also very important. We have seen that within the last three or four weeks we have had numerous Committees, sometimes two or three meeting each day in an effort to get through. I hope that when the new House resumes, when Committees are appointed the Chairmen will immediately begin to set a schedule of meetings which can be conducted over a period of time, rather than being rushed at the last moment.

Like everyone else, I want to extend best wishes to Miss Mary who, as you know, has been quite ill. She came to work in 1971, so that is 25 years she has been here. So far she is doing very well, but it is expected that she may have to retire. I know that all Members give her their best wishes.

We also must thank Anita for her hard work. This is also well deserved.

The Legislative Assembly made a record in 1995 when it welcomed for the first time a third lady to the Chamber in the Third Elected Member for Bodden Town. So that is another great achievement.

On your behalf, I also thank the Clerk, the Deputy Clerk and all the other Clerks for their devotion to duty. Many of the Clerks have been here for well over 12 years. In one instance one was here for over 20 years.

The ladies in the *Hansard* department are to be especially thanked. In the past they were besieged by Members for the quick reproduction of their speeches. This has lessened somewhat, and I think they are happy about that. We hope that as time goes on, facilities will be

put in place so that there can be quicker reproduction of the verbatim reports.

I want to thank Members for their courtesy to the Chair. As I said a couple of days ago, I hope that when the new House resumes, that Ministers will endeavour to have short answers to questions wherever possible.

Hon. W. McKeeva Bush: That depends on what they ask, Madam Speaker! (*laughter*)

The Speaker: It leaves me to express my very warm and sincere wishes to all Members and their families for continued good prosperity, health and God's richest blessings for the future. I ask Members to keep close to the Lord, He is the one who sustains us all and He is the only one who can guide us. If we rely on His guidance we can never go astray. Without His help nothing can be achieved. What this world really needs is Jesus and sincere Christians who trust him.

I thank you for the great honour bestowed upon me in recommending me to be a National Hero. As I said before I will say again: It is very good to be alive! God bless you all. The House is now adjourned sine die.

AT 9.22 PM THE HOUSE STOOD ADJOURNED SINE DIE.