



Statement by the Honourable Deputy Governor on “Exceptional Circumstances” transactions that occurred during the 2023 Financial Year for the Portfolio of the Civil Service

2023 Session of Parliament – 15 December 2023

Mr. Speaker, as required by Section 11(6) of the Public Management and Finance Act (2020 Revision) (the “PMFA”), I make this Statement to Members of this Honourable House with respect to the “exceptional circumstances” transactions that were approved by the Cabinet for the Portfolio of the Civil Service, for the period December 2023. Such transactions were approved pursuant to Section 11 (5) of the PMFA.

Mr. Speaker, this Statement provides details of the aforementioned transactions.

\$577,500 – Funding of One-Off Christmas Payment to Pensioners

In December 2023, the government extended a one-time special payment of \$250 for all persons receiving any form of public service pension. This one-off Christmas payment is being processed this month, ahead of Christmas, for all existing public service pensioners.

Mr. Speaker, some 2,310 public service pensioners are benefitting from this one-off payment this month being processed by the Public Service Pensions Board.

Therefore, in accordance with Section 11(5) of the PMFA, the Cabinet authorised the addition of \$577,500 for OE 19 Ex-Gratia Recipients Plan Payments.

\$160,280 – Funding to Increase Ex-Gratia Uplift Payments from prior Minimum of \$950 to new Minimum of \$1,250

Mr. Speaker, the portfolio’s second request for supplementary funding, which was approved by Cabinet, benefitted eligible public service pensioners by uplifting the minimum pension amount from \$950 to \$1,250, effective December 2023. The eligibility criteria for receiving an uplifted pension, is governed by the Public Service Pensions (Ex-Gratia Uplift Payments) Regulations and the recent amendment to these Regulations, the Public Service Pensions (Ex-Gratia Uplift Payments (Amendment)) Regulations 2023, provides the new minimum uplift threshold of \$1,250 for eligible persons.

Mr. Speaker, as you are aware the uplift came about as a result of Private Member's Motion Number 7 of 2023-24, which was unanimously passed at the first meeting of the 2023-24 Session of the Parliament.

Mr. Speaker, it has been the practice historically, where possible, to link the sums payable to those receiving long term financial assistance, to the sum payable as the minimum monthly pension for eligible pensioners who served at least 10 years before retiring. This funding helps ensure that Caymanians who worked for at least 10 years of pensionable service, can live with dignity in retirement.

By implementing the Ex-Gratia Uplift payment to public service pensioners, we effectively facilitated the Government's policy objective of bringing equity between amounts paid to those on Long-Term Financial Assistance and the minimum sums paid to our long serving Caymanian pensioners, ensuring that they can enjoy their retirement as comfortably as possible.

Mr. Speaker, 589 public service pensioners qualified and are benefitting from the uplift that commenced in December, via the programme capably facilitated by the Public Service Pensions Board.

Conclusion

Mr. Speaker, the aforementioned exceptional circumstance transactions related to initiatives that the Government deemed paramount to maintaining the purchasing power of our pensioners. Both the Ex-Gratia Uplift and the one-off Christmas payment of \$250 were requested and approved by the Cabinet. The Portfolio of the Civil Service and the Public Service Pensions Board, are working collaboratively to deliver these payments in December 2023.

Mr. Speaker, even with the inclusion of these unforeseen expenses, the Government has maintained compliance with the Principles of Responsible Financial Management.

I express gratitude to the Government for their thoughtful support in addressing the various needs within our community. This particular instance underscores, Mr. Speaker, the Government's unwavering commitment to assisting Cayman's elderly population in mitigating the impact of inflation, which gained momentum in the summer of 2022. On behalf of public service pensioners, I extend my sincere thanks.

Thank you, Mr. Speaker.