



CAYMAN ISLANDS GOVERNMENT

SUPPLEMENTARY EXPENDITURE REQUESTS TO FINANCE COMMITTEE FOR APPROPRIATION CHANGES

FOR THE YEAR ENDING 31 DECEMBER 2025

PREPARED IN ACCORDANCE WITH
SECTION 11(5) AND SECTION 12 OF
THE PUBLIC MANAGEMENT AND FINANCE ACT
(2020 REVISION)

SUPPLEMENTARY EXPENDITURE REQUESTS TO FINANCE COMMITTEE FOR APPROPRIATION CHANGES

Verbatim transcript of the Standing Finance Committee meeting held Friday, 6th June 2025, at 10:28 a.m. in the Chamber of the House of Parliament; George Town, Grand Cayman.

Present: Hon. Rolston M. Anglin, JP - Chairman
Hon. André M. Ebanks
Hon. Gary B. Ruddy
Hon. Katherine A. Ebanks-Wilks
Hon. Michael S. Myles
Hon. Johany S. Ebanks
Hon. Nickolas T. DaCosta, JP
Hon. Isaac D. Rankine, JP
Hon. G. Wayne Panton, JP
Mrs. Julie J.T. Hunter, JP
Ms. Heather D. Bodden, OCl, Cert. Hon., JP
Hon. Joseph X. Hew
Mr. Kenneth V. Bryan
Mr. Roy M. McTaggart, JP
Hon. Pearlina L. McGaw-Lumsden
Mr. A. Royston Tatum Jr., Cert. Hon.
Mr. Christopher S. Saunders
Mr. Dwayne S. Seymour, CCl, JP

In attendance: Hon. Kenneth Jefferson, JP – Financial Secretary

Absent: Hon. Juliana Y. O'Connor-Connolly, JP

[Hon. Rolston M. Anglin, Chairman, Presiding]

The Chairman: I would like to call this meeting of Finance Committee to order. As is customary, I would like to welcome all Members and invite our Honourable Premier to open us in prayer.

The Premier, Hon. André M. Ebanks, Minister for Financial Services and Commerce, Elected Member for West Bay South: *Thank you, Heavenly Father, for all your many blessings, including us being able to gather here today to do the business of the people. We ask, Dear Lord, that you give us prudence, collaboration and wisdom to act in the overall interests of the people of the Cayman Islands.*

I ask colleagues to join me in the Lord's Prayer: *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, forgive us of our trespasses as we forgive those who trespass against us. Lead us not into temptation, but*

deliver us from evil. For Thine is the Kingdom, the power and the glory, forever and ever. Amen.

The Chairman: Please be seated.

I would like to thank all Members of the Committee for being in attendance for this, the first Finance Committee of the 2025-2029 term. I see we have a quorum.

I want to announce that the purpose of this meeting of Finance Committee is to consider expenditure items shown and hard copy material that has been distributed to all honourable Members, hence all should have in their possession. The Committee's approval of these supplementary expenditures is being sought. Honourable Members will also know that a meeting of Finance Committee can be called in the absence of Parliament itself being in a Meeting, as it is permitted under paragraph 82(5) of our parliamentary Standing Orders. I request Members' usual cooperation in asking questions promptly and succinctly.

Honourable Members, in addition to the matters we're going to consider, I would like to address a

number of matters before the Committee starts in regards to the forecast deficit projected for the 2025 Financial Year. As we all know, it has been customary—

Hon. Joseph X. Hew, Leader of the Opposition, Elected Member for George Town North: Apologies, Mr. Chairman; before you get too deep into that I need to offer apologies on behalf of the Honourable Juliana O'Connor-Connolly, who is traveling. It's unfortunate that we were only given 22 hours' notice for this meeting, but she does send her apologies. If she could have been here, she would have been, so I need to offer apologies on her behalf.

The Chairman: Thank you very much, Honourable Leader of the Opposition.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition, Elected Member for George Town Central: Mr. Chairman.

The Chairman: Yes, honourable Member.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: As per Standing Order 82(5), you as Minister of Finance have the authority to call a sitting of Finance Committee at the earliest possible date or at any other date proposed. Therefore, Mr. Chairman, unless there is a reasonable explanation for a 22 hours' notice of this very important Committee to meet, I'll be proposing a Motion to offer a different date, namely Monday, when all Members of this honourable House can participate.

The Chairman: Thank you, honourable Member.

Honourable Member, as we go through the agenda and the items under consideration, I think it will be clear why we need to meet, and why it's urgent. I think any time there are important items requiring public monies to be spent, with those items being consumed by the respective ministries and unable to continue to make payments— that, I believe, is very urgent. I think all of us would agree that we need to get on with the business of the Committee. We are here, and given the fact that 18 of the 19 Members of Parliament is present, I believe that's a more than adequate representation of the people.

Honourable Members, I have listened very carefully to all that has been said over the last few weeks and I want to [reassure] the Members of this committee, and the listening public, that our budget process is sound. Our budget system is sound. There are a number of things that all of us have known— anyone who's elected will have known for many years— and that is the trends around how the Cayman Islands budget performs. The first three months of the year are always when the government earns the vast majority of its revenue; therefore, if you look at those first three months in isolation you will see that

those months will always provide a significant surplus of revenue over expenditure. However, when looking [at] the last nine months of the year in isolation, historically, all of those months will produce a deficit; so the first quarter of the year always funds the activities for the entire fiscal year. This is because financial services fees are due before 31st March.

I would ask the Financial Secretary if he would kindly ask the Serjeant-at-Arms to distribute the last four years' month on month revenue versus expenditure collections. Members will see, that April through December of every single year, there is a deficit. In fact—

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chairman.

The Chairman: Yes, Member.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: I would be grateful, just to go along with your narrative as you speak, if you allow us the time to get the document.

The Chairman: I will continue, Member, because any Member of this House who actually doesn't notice has not been paying attention; particularly if you were a Member of Cabinet, where you get quarterly financial reports and this attachment is in every single one of those quarterly attachments. I'm glad to see the Member for George Town West and other new Members of the House who may not be aware of it, have it in their possession, so I continue.

Those nine months always produce a deficit position. In fact, in these four years, the only time that that didn't happen was July 2021, and it was purely because there was a one-off \$29.6 million collected from proceeds from liquidated entities, which we know comes from the banks and only happens every so often under the law that governs the distribution of those funds back to CIG [Cayman Islands Government].

In 2024, honourable Members will see that core government's cumulative monthly operating surplus reporting for the first three months totalled \$251.8 million and the cumulative monthly operating deficits reporting for the remaining nine months totalled \$191.7 million, leaving a significantly smaller surplus for the entire year of \$60.1 million by the end of 2024.

Honourable Members, 2025 is no different, and the trend is behaving the same way. The cumulative monthly operating surplus for the first three months totalled \$262.1 million and already, in the month of April, there was a reported deficit of \$22.1 million, which is double the deficit of the same month in the last year out of interest. While the operating surplus of \$262.1 million at the end of March 2025 is commendable, it is important to recognise that this amount will be depleted over the remainder of the

year due to the monthly deficits between April and December.

Members should also note what was not mentioned in the recent dialogue around this issue: what is contributing to the possible deficit for 2025, unless corrective action is taken. What the previous Cabinet approved in supplementary expenditure and funding totalled \$58 million in the first four months of 2025—\$38.3 million in operating expenditure, and \$19.7 [million] in capital. These supplementary expenditures, in particular the operating expenditure of \$38.3 million, will contribute to the reduction of the reported \$262.1 million operating surplus that was reported at the end of March 2025. The supplementary expenditure would also contribute to the \$26.2 million deficit that was projected in the 2025 Pre-Election Economic Financial Update or PREFU—a deficit that could rise unless corrective action is taken by the Government.

To ensure the Government maintains its financial stability and returns to prudent fiscal responsibility, the Government has begun taking corrective actions with the aim of curtailing expenditure during the remainder of the 2025 Financial Year; and assessing planned legislation that was expected to generate additional revenue.

Honourable Members, we have a number of items before us. The first is TP 41 - Financial Assistance. [On] the Schedule before us today is the request for supplementary funding of \$14.4 million to Transfer Payment 41 - Financial Assistance. Due to the rising cost of living, Caymanians are finding it increasingly difficult to afford basic household expenses, and to cope with the challenging economic hardships.

The government has been providing financial assistance to eligible Caymanians. Financial assistance is provided for a variety of expenses including: food; accommodation; utilities; burial assistance. Medical expenses which are not covered by health insurance; clothing; transportation; internet; phone; and support for children such as preschool assistance, camps, after-school care, school uniforms, shoes and other supplies.

Long term financial assistance is also provided to older persons and adults with permanent disabilities. As of April 2025, there were 1,724 households that received financial assistance; of those, 1,095 persons received long term financial assistance, which is paid from the TP 41 - Financial Assistance appropriation. The Minister of Social Development and Innovation has confirmed that the 2025 appropriation for TP 41 - Financial Assistance is fully exhausted, and that no more financial assistance payments can be made at this time, when this supplementary request is approved.

The depletion of the appropriation over the 2024 and 2025 budget period can be attributed to a number of reasons. Firstly, in February 2024, the amount of financial assistance for accommodation,

food and utilities was increased and assistance for rental deposits, internet and transportation introduced. In July 2024, an additional \$400 was given to recipients of long-term financial assistance and those who receive financial assistance for food in order to prepare for the hurricane season and the arrival of Hurricane Beryl.

Also in July 2024, bus wardens and bus drivers who were employed by outsourced bus companies received a one-time summer stipend of \$2,700 per recipient and in December 2024, an additional holiday stipend of \$500 was given to all recipients that received long term financial assistance. The additional \$14.4 million being requested today is needed to meet the projected expenditure to the end of this year. Honourable Members, not approving the \$14.4 million in supplementary funding means that over 1,700 households will not receive financial assistance, starting the end of the month.

Honourable Members will note that there are two other items on the Schedule before us today and these are the requests for supplementary funding of \$8,250,000 for HEA 2 - Medical Care for Indigents and \$20,537,000 for NGS 55 - Tertiary Care for Various Local and Overseas Institutions. Supplementary funding is being sought to ensure there is adequate funding to continue coverage of recipients under these programmes, and to prevent any disruption in the provision of these vital primary and secondary health care services. The monthly average number of covered indigent members has been increasing, with the number of indigent totalling 2,300 persons at the end of March, 2025.

Honourable Members, the 2025 budgets for the appropriations continue to be inadequate, not only due to persons' growing medical needs, but also due to the increasing number of recipients and the escalating costs of tertiary care. The original 2025 budget for NGS 55 totalled \$14.426 million. This amount was exhausted by the end of April, 2025. The projected expenditure for NGS 55 for 2025 is approximately \$55.5 million. At this time, only \$20.527 million is being requested as supplementary funding, but Government intends to return later in the year for the balance of the funding that will be needed for the remainder of this Financial Year.

Under HEA 2, indigent patients are provided with primary and secondary as well as dental and mental health care services. The original 2025 budget for HEA 2 totalled \$12 million, with a further \$4.5 million being funded from the segregated insurance fund to supplement the cost. This amount is going to be exhausted by the end of July, 2025. The projected expenditure for HEA 2 for 2025 is approximately \$28.5 million. At this time, the \$8.25 million is being requested as supplementary funding, but again, the government intends to return later this year for the balance of funding for the total needed for the remainder of the year.

Honourable members, the cost of NGS 55 are normally paid upfront by the Cayman Islands National Insurance Company, or CINICO, on behalf of the government, and are then reimbursed by the Ministry of Health through the NGS 55 appropriation. Similarly, the cost of HEA 2 is normally covered by the Health Services Authority, or HSA, and then reimbursed by the Ministry of Health through the HEA 2 appropriation. Any delays in the reimbursement of costs to CINICO and HSA will have an adverse impact on their ability to pay the local and overseas health care institutions, including payments from CINICO to HSA, since both entities have expressed cash flow concerns. Also, indigent, seafarers and veterans may not be able to receive critical care as and when needed.

Honourable Members, not approving NGS 55 and HEA 2 supplementary funding requests will delay or deny necessary medical care for the indigent, presenting a significant liability to the government.

Honourable Members, let us look at the first item on the Finance Committee's agenda.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chairman.

The Chairman: Yes, Member.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Before we proceed into the first item on the agenda, I recognise that you've tried to offer some clarity as to the PREFU, which is much appreciated as this country is in dire need of clarity; but we all are fully aware that the projections in the PREFU are not done by the elected arm nor are we allowed to be involved.

As to the projections, I think it would be only suited and necessary for the explanation of the budget, or deficit, to be done by the parties who created it. I'm struggling to understand the viewpoint [whereby] the government or the elected arm was not involved in the creation of the document nor its projections, and therefore its deficits, but the new government, and rightfully so, the Minister of Finance (and Chairman today), is now explaining its outcome.

I have no opportunity to ask the questions relevant to those projections because up to this day, we cannot find out—there is no audience for the entities that created this document to be questioned as to what is perceived [as] an extra surplus than what was projected within the 2025 first quarter. I am at a loss as how to proceed; when would be the opportunity to address or question this anomaly and whether or not those projections were considered within the PREFU, because we recognise it had a major impact on the voters' viewpoints.

Mr. Chairman, I wonder, especially since you opened the door, speaking to the PREFU in your opening remarks, whether this Committee will have the opportunity to ask supplementary questions as to

the positions, or will we just move forward. If not today, when will we have an opportunity to question that?

The Chairman: Honourable Member, I heard what you said very carefully when you said we all know, I don't know that it had an impact on any voters, so I don't join voices with you in that particular opinion; however, what we all do know, is that a PREFU has been a part of our parliamentary process now for quite a long time. The PREFU is prepared just as all projections get prepared: the finance team goes out to ministries and portfolios, and they feed back to the Ministry of Finance what their projections are for the year.

The key thing to know and note is that every time you introduce new expenditure—for example, increasing financial assistance by \$250 a month—when it is not included in the original budget, but is taken on the heels of an Election, then we know that it has to have a negative impact on the budget, because after March those payments will continue. That \$250, times every person on permanent financial assistance—all 9,025—are going to continue to get that funding. All seamen and veterans are going to continue to get that funding.

For me, it is quite simple, if Members of the previous Cabinet knew that they already had exhausted \$38.3 million in supplementary funding it would be a strong indicator that what was budgeted was going to be subsumed or overtaken by actual expenditure because you wouldn't have supplementary expenditure if everything was going on course and being normal. Knowing that \$38.3 million had already been asked in supplementaries in that first four months, which every Member who was a Member of the previous Cabinet would know, and knowing you had taken policy decisions to increase expenditure, one would know that, at a minimum, it would have had a negative effect on whatever the original projections would be.

Members will have every opportunity during the budget process, when we look at the entire new budget, which will include the previous year's financial statements, to make whatever statements or commentaries they want to make around that subject and pose those questions at that time—and I think that would be a good time, because by then we will have gotten through even more months of 2025.

Needless to say, I take the job very seriously and we are working diligently to ensure that we are in compliance. I know all of us share one common view in this honourable Committee: that the Cayman Islands cannot go into treacherous territory by being non-compliant with any element of the FFR [Framework for Fiscal Responsibility] because we know the negative impact that would have.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: I agree, Mr. Chairman, and I thank you so much for that thorough response.

I think it's important to recognise that two Members of that Cabinet of a minority Government of five are now part of the current Government, and you have to have all five Members in support. I think that is important to note for the record.

I recognise that I didn't get the answer that I was hoping for, to see who would answer to that. You answered on behalf of the finance team, which is independent for the PREFU, but I'll try to address it another time and allow you to proceed, Mr. Chairman. Thank you.

The Chairman: Thank you.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: One last thing, Mr. Chairman, can we confirm that we are recording for YouTube for the listening audience?

The Chairman: Member, I am a nuts and bolts type of guy. I hope we're recording for all audiences however, at the end of the day, the business of the Committee needs to continue and whether I have the audience of YouTube or blue tube, I'm continuing.

TP 41 – Financial Assistance

The Chairman: TP 41 - Financial Assistance for the amount of \$14.4 million. Are there any questions on this item?

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chairman?

The Chairman: Yes, Honourable Deputy Leader of the Opposition.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Thank you, Mr. Chairman.

A pleasant good morning to all Members of this Parliament, as well as those who are visiting and the amazing civil servants. It's good to see your faces so, welcome.

Through you to the current Minister: can the Minister say whether or not there was any acknowledgment that the budgeted amount for 2024 and 2025 was expressed to be inadequate and, because we are talking about 2025 today, were any viewpoints expressed in the last Sitting—and you can ask the Chief-Officer—whether the amount that was allocated was under budgeted.

The Chairman: Honourable Minister.

Hon. Isaac D. Rankine, Minister of Social Development & Innovation, and Youth, Sports, Culture & Heritage, Elected Member for East End: Mr. Chair, just give me a minute, sir.

[Pause]

Hon. Isaac D. Rankine: Mr. Chair.

The Chairman: Honourable Minister.

Hon. Isaac D. Rankine: To answer the Member's question: While the Ministry would have submitted a budget, the final allocation of that budget would have been subject to Cabinet decision, sir.

The Chairman: Honourable Member.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Thank you, Mr. Chairman. I accept the Minister's answer and I'm assuming he's suggesting that yes, it was then under budgeted. I see him nodding his head, so that's an answer.

Mr. Chairman, can the Honourable Minister say who was the Minister for this Ministry at the time the budget amounts for 2024 and 2025 were approved?

The Chairman: Honourable Minister.

Hon. Isaac D. Rankine: Mr. Chair, when the 2024-2025 budget was being prepared, the Minister was the [Honourable] André Ebanks; now Premier.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Thank you, Mr. Chairman.

Can the Minister say then, why the actual for 2023, which was the year before this two-year, \$24 million budget was set out—let me just get my numbers correct, to make sure I have the exact figure. It was \$26 million for 2023. Can the Honourable Minister say why, then, did the Ministry budget a whopping \$10 million less than the previous year and then, later on, a whopping \$14 million less than what the actual were the year before?

The Chairman: Before you answer, Honourable Minister, I have with me the unaudited actuals for 2023 and by my numbers, it is \$21.37 million.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Correct, Mr. Chairman, I do apologise. You are right with your figures, but it was still a substantial \$6 million less than the actuals before. I'm just trying to let the Parliament and the listening audience [know] that there was a substantial drop in the projections—meaning under-budgeting from the previous year—and if they can give logical reasons why.

The Premier, Hon. André M. Ebanks, Minister for Financial Services and Commerce, Elected Member for West Bay South: Mr. Chair.

The Chairman: Honourable Premier.

The Premier, Hon. André M. Ebanks, Minister for Financial Services and Commerce, Elected Member for West Bay South: Mr. Chair, through you. As this is historical, the current Minister is not adequately equipped to answer the question but I can, if I may?

The Chairman: Honourable Premier, as you were constitutionally responsible for the Ministry at that time, I find it appropriate for you to answer.

The Premier, Hon. André M. Ebanks: Thank you, Mr. Chair, through you. As the Member would know as part of the Cabinet and Caucus to prepare the last budget, the department and the Ministry projected that this would cost \$25 million each year, but for the purposes of trying to facilitate a balanced budget to the Parliament, we were advised to take a significant cut.

One of the persons who advocated the reason why it should be acceptable, is the current Member, [who] said, if I recall, *"When you come to Parliament for supplementary funding for this TP, you'll always get it. You can take the cut in order to facilitate other non-essential items and you can come back to Parliament to ask for this, because it's politically palatable."*

The Chairman: Honourable Member.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Thank you, Mr. Chairman.

I know he's trying to associate the decision to me; that's all well and good. I think the important part is that it will not happen again in the upcoming budget; that the appropriate amount, and not half, will be allocated fully, regardless of whose direction it was—though the good Member is fully aware it wasn't me.

The Chairman: Honourable Premier.

The Premier, Hon. André M. Ebanks: Through you, Mr. Chair, I never associated only to him, but he was one of those who commented on that view; and yes, that's why we are here and why you, [Mr. Chairman], called a Finance Committee rather than to do this by way of 11(5)—to be transparent with the public, with the needs of the country.

I hope the honourable Member will remember that comment when we come to pass the budget, that we need to get to the root causes and give true budgeting, which will be a theme as you go on to the next appropriation.

The Chairman: Absolutely.

Premier and Members, whilst I have not been in this territory for over a decade, I do recall TP 41, NGS 55 and HEA 2. I see the Member for Bodden Town East nodding his head, because he would have been here when I was here. Yes, we are a bit of relics

from the past, but this has been an issue for a long time, Members.

If we could move the line of questioning along and accept then that we wouldn't repeat that same line of questioning for the next two, Members, because it will be the same answer, let's face it. In order to be efficient and make good use of our time. We are on the clock here and when I look at the number of civil servants, I do want to make good use of the Committee's time and their time, because I'm cognisant that, per hour, this is quite a costly exercise for my current budget.

I would call on the Member for Bodden Town West who has—

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chair.

The Chairman: Oh, Honourable Deputy Leader of the Opposition, I thought you had completed since you have pounded this point so long.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Thank you, Mr. Chair, but I would definitely advise you that I wasn't. I do agree that the point has been taken and the Government has said that they would be budgeting appropriately as to what is being suggested by the good civil servants and Ministry.

I just want to change the subject matter now. Can the Honourable Minister say whether there has been any policy change in respect to what this appropriation is for, which is rental assistance? I'll give the good Member context. The Honourable Minister of Finance suggested that there were some inappropriate leases within the Department between family members, which was created in legislation by the now Premier when he was the Minister. This is legal, but was suggested by the Honourable Minister of Finance in a report at *Cayman Compass* to be highly inappropriate. Is there any intention to cut leases of persons who are leasing to other family members?

The Chairman: Honourable Member, whilst the question has been directed to the Minister, you did mention a comment that I made. Let me address that. I asked the Director and her staff if they would take a quick look because, whilst I know it's created in legislation, I had gotten personal reports of people who were creating leases which were, perhaps, not as legal as any of us, as Members of the Committee and overseers of the public purse, would.

Once that's done, I will ensure that you are the first person who I call to ensure that everything that is happening is along the lines of the policy that was created. For example, in the past, if a grandparent owned a piece of property, owned a unit, they couldn't rent to their own loved ones and had to rent to someone else; which I understand the legislation *sought to correct*. However, as we all know, once

you're talking about things happening within a particular household, things can get a little tricky—and I think all of us would agree that such could happen.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Thank you, Mr. Chairman. I'm happy to hear from the Ministry itself. Being the former Minister myself, I know they're very adequate and would never allow anything inappropriate to happen. It's either that your information is incorrect or we were not aware that the legislation, which was created by the now Premier, allowed such leases.

The Chairman: Let me be clear, there is no department created under the sun that can magically ensure nothing inappropriate happens. 'Inappropriate' happens when people report something that is not correct, and not known to the persons.

Hon. Isaac D. Rankine: Mr. Chair, while I thought you adequately answered the question earlier, we, as the Ministry, do plan to undertake a review of all of the services we offer to our clients, not just housing and rental assistance, to ensure that we are reaching the right people who need to receive that service.

The Chairman: Thank you, very much, Minister.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Thank you, Minister.

Mr. Chairman, the policy is one thing. I'm asking the Minister, if there is any intention to change the legislation? The lease from family member to family member is created by law, and I repeat, by the now Premier and former Minister, so it's legal to do it. I'm asking if there is any intention, through the Minister to change that, which would largely affect a number of persons. Maybe the Minister may know how many leases within the Department of Financial Assistance (DFA) are [between] family members.

The Chairman: We can ensure that the election hearing and campaigning kind of ends here. I can answer that question: No.

No, there's no intention to change the legislation.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Thank you, Mr. Chair. You can move on to the next Member now.

The Chairman: I recognise the Member for Bodden Town West.

Mr. Christopher S. Saunders, Elected Member for Bodden Town West: Thank you very much, Mr. Chairman.

Mr. Chairman, through you to the Honourable Minister. For this amount, can we say how many people are actually receiving this assistance?

The Chairman: It is 1,724 households and 1,095 persons on permanent financial assistance.

Member for Bodden Town West, was there anything in addition that you wanted the Minister...

Mr. Christopher S. Saunders: No, that's fine; I just wanted to get it for my records.

Okay, my next question: Have we done any studies in terms of aging because something that we noticed in the census document were the different age groups and so forth. Have we done any studies to see what the future demand for this service would look like, or is that something you will be looking at as you prepare a budget for this year?

The Chairman: Honourable Minister.

Hon. Isaac D. Rankine: Thank you, Mr. Chair. I do believe that the Department is very aware of many of those numbers and have done projections previously, but we will certainly have some updated information we can share, hopefully at the next Finance Committee, on how that would look.

The Chairman: Honourable Member.

Mr. Christopher S. Saunders: Thank you, Mr. Chair.

The Chairman: Honourable Member for Bodden Town East.

Mr. Dwayne S. Seymour, Elected Member for Bodden Town East: Thank you, Mr. Chair. Good morning to all. My question for the record is in regards to your comment or something to the effect of one-time payment for bus wardens. I just wanted to clarify the policy in terms of the summer and winter payments that they got last year, which they normally don't get. The Honourable Premier was so gracious to complete that policy. Is that being continued?

The Chairman: Honourable Member, all policies that have been undertaken I now have to take a very close look at. [I can give the Committee the undertaking that we certainly will be looking very closely and keenly at those sorts of payments.](#)

Mr. Dwayne S. Seymour: Thank you Mr. Chair, because those bus wardens become... I don't want to use the word destitute, but they're in need of those payments at the time. I'm sure you're aware.

Mr. Chair, another question was under this same appropriation. Does the Honourable Minister have any plans to place a satellite office for social development, or DFA, in the Bodden Town district?

The Chairman: Honourable Minister.

Hon. Isaac D. Rankine: Mr. Chair, there are currently no plans to have a satellite office in the Bodden Town area.

The Chairman: Honourable Member.

Mr. Dwayne S. Seymour: Thank you, Mr. Chair.

I just wanted to note, moving forward, if the Minister and his team can have a look or a rethink of this policy it would benefit not only Bodden Town, but also the East End and North Side residents. Normally those persons who are in need of this type of service do not have any transportation or otherwise, so I would really appreciate it, Mr. Chair, if the Minister would take a second look at it.

Thank you.

The Chairman: Honourable Minister.

Hon. Isaac D. Rankine: Mr. Chair, I thank the Member for his comments. While there is no office there, we do district days in all of the districts on a very regular basis for the exact reason that he mentioned, of people not being able to access the office and services in town.

Mr. Dwayne S. Seymour: Mr. Chair, I appreciate that and would ask them, until they can sort out the actual policy, whether the visits could be more regular.

The Chairman: Honourable Minister, can you give the committee a view on the frequency of the visits and what sort of uptake you have in terms of people who come out? If you have that information on hand.

Hon. Isaac D. Rankine: One second, Mr. Chair.

[Pause]

Hon. Isaac D. Rankine: Mr. Chair, the visits to the district is once per month. The uptake is low, sometimes there's nobody. In addition to that, the Department also does home visits for those people who can't come out.

The Chairman: Thank you very much, Member. Are there any of the questions? Honourable Deputy Leader of the Opposition.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Thank you, Mr. Chairman.

Can the Minister say if the Ministry still intends to move forward with the increase of the maximum income that you can have in order to get services from the DFA? Before leaving the Ministry, it was envisioned to increase the [maximum] from \$3,000 to \$4,000, as currently the policy determines that a

household that is making more than \$3,000 wouldn't be able to get assistance, outside of special circumstances and I think there's a level of discretion there. In recognition that many families were not getting assistance and [were being] denied on the basis that they made more than \$3,000, the intention was to increase it to \$4,000. Is that still envisioned within the Ministry and Department?

The Chairman: Honourable Minister.

Hon. Isaac D. Rankine: Mr. Chair, I have been told that the Department has done some preliminary investigations, but they have not really presented the findings as yet; however, all Members need to be aware that if that was to rise, there will still be some budget implications that have to be taken into consideration.

The Chairman: Thank you very much, Honourable Minister.

Honourable Member for George Town West.

Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker, Elected Member for George Town West: Can the Minister identify the exact amounts for July and August that was paid to the bus wardens, please?

The Chairman: Honourable Minister.

Hon. Isaac D. Rankine: Just one second, Mr. Chair.

[Pause]

Hon. Isaac D. Rankine: To answer the question, the amount was a one-time stipend of \$2,700 per bus driver or bus warden and the total amounted to \$441,200.

The Chairman: Are there any further questions?

The Premier, Hon. André M. Ebanks: Mr. Chair, just a footnote.

The Chairman: Honourable Premier.

The Premier, Hon. André M. Ebanks: Through you. Should the supplementary appropriation be approved today, in order for the Ministry to try to stay within the limits of what's being approved so it actually lasts for the remainder of 2025, they are going to have to start reassessing persons, from this month, who received amounts.

There was a directive brought by the Member for George Town Central when he was the Minister to freeze reassessments from December all the way to June for the purpose, as was stated at the time, to not have reassessments during and around the election period. I'm not here to quibble over the rights or wrongs of that; it just means that reassessments will

have to now recommence to be able to understand whether there are persons who still qualify and if so, do they qualify to have the full amount or portion amounts, so that the Ministry can have accountability of whether the money in the appropriation will now be spent prudently.

Without those reassessments continuing, there'll be no accountability and you could be back here for more money, but I'm sure that the team will ensure that those reassessments occur, now that we are outside the election period.

The Chairman: Certainly.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chairman, one last follow-up; I know we're moving on to the next line item. I think earlier in your remarks you said that if this approval isn't done, they're going to run out of money by the end of this month. Was I correct in understanding that?

The Chairman: That is correct, they exhausted the appropriation at the end of May.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Through you, Mr. Chairman, so would it have been okay to have had this sitting of the Finance Committee on Monday? Would you have still been able to deliver the services if it was approved on Monday?

The Chairman: Members, we will assume that to be a rhetorical or otherwise type question.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: No, Mr. Chairman—

The Chairman: I called a Meeting of Finance Committee today; if the Member wants to question whether or not I should have called it today, that's another point, but I called it today at 10 a.m. and I stand by the decision to call it today at 10 a.m. Certainly I did not have any ticking time bomb given to me.

The bottom line is, I decided that today was the best day to call Finance Committee, and we called Finance Committee, and 18 of 19 of us are here.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chairman, no one is disputing that. You have the authority under this Committee to do so. I'm just asking the Honourable Minister, who's in charge, would he have been able to pay the necessary funds to the individuals if this approval was done on Monday.

The Standing Orders does say we can propose a different date, which you did not support—which is fine—but I just want to be able to say whether or not we could accomplish the same thing [if] we approved it on Monday.

Hon. Isaac D. Rankine: Well, the short answer, long answer really is no. We would not be able to because of the persons who have to start immediately to ensure that the people who are on long-term financial assistance are going to be paid at the end of the month.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Through you, Mr. Chair, today is the 6th June, the payments go out a bit later on, so Monday would be the 8th; so three days later, you wouldn't have been able to pay anybody?

Hon. Isaac D. Rankine: My team has advised that we would not have been able to pay anybody.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Thank you, Mr. Chair.

The Premier, Hon. André M. Ebanks: Mr. Chair, having some experience, could I elucidate?

The Chairman: Honourable Premier.

The Premier, Hon. André M. Ebanks: I think we could all agree—which is your point—that if 18 of 19 of us are here, we can do something sooner rather than later to ensure that payments are done smoothly; so let's get it done in the interest of our people while we're working and can do it.

Could it be squeezed by Monday? Maybe, but we're here now and no one knows what will happen between now and Monday that could blow something off. While we're here, let's get things done as expeditiously as we can.

The Chairman: Since there are no further questions on supplementary being sought for TP 41, I now ask, are there any questions for HEA 2?

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chairman, don't you have to take a vote on it first and then move on?

The Chairman: I was going to vote on everything together, but let the question be put that the supplementary appropriation for TP 41 form part of the Schedule. All those in favour, please say Aye. Those against, No.

AYES.

The Chairman: The Ayes have it.

Agreed: TP 41 – Financial Assistance passed.

HEA 2 – Medical Care for Indigents

The Chairman: Any questions for HEA 2 - Medical Care for Indigents? As Members have seen, we have—

Hon. Isaac D. Rankine: Mr. Chair, before you move on, I'd like to thank the Ministry team for assisting us this morning, sir.

The Chairman: Oh, very good. Thanks for the reminder, Minister. Certainly, I want to thank all members of the Ministry team and departments that oversee social development. Thank you for attending this meeting of Finance Committee and assisting the Minister to provide answers.

Hon. Isaac D. Rankine: Thank you, sir; and yes, the departments.

The Chairman: HEA 2 - Medical Care for Indigents. Any questions? I recognise the Member for Bodden Town West.

Mr. Christopher S. Saunders: Thank you, Mr. Chairman.

Through you, Mr. Chairman, and this is just for my own understanding. First, I noticed in 2020 the HSA, back then under my good friend, the former Minister for Bodden Town East, had a net income of \$1.2 million; in 2021, the net income or profit for the year was \$8 million. Then I noticed that HSA had a net loss of \$5.2 million for 2022 and a net loss of \$7 million for 2023. I just want to thank my good friend for Bodden Town East, then Minister, for the HSA profit.

I saw recent media reports concerning the hiring freeze and I'm not going to get into that line of questioning because I think that the Prospect and Bodden Town West voters already answered the political performance from that standpoint. What I'm curious about, Mr. Chairman, going through the annual report for the HSA from 2016 to 2023 which is on their website, is the changes in Board remuneration.

To put things in context for the Members and the listening public: in 2023 [sic], the total Board compensation (per the annual report) was \$18,813; for 2017, it was an 18-month period and the total board remuneration was \$23,700; in 2018, total Board remuneration was \$23,650; in 2019 it was \$42,925; in 2020 it was \$82,215; and then in 2021 it was \$192,550. It went from \$82,215 in 2020 to \$192,550 in 2021, and in 2022 it went to \$250,900 and in 2023, \$250,750.

In short, Mr. Speaker, between 2016 and 2023 Board compensation went from \$18,813 per year to \$250,750, an increase of \$231,937. Now, to put that in context and for comparison purposes, CIMA's [Cayman Islands Monetary Authority] Board total remuneration for 2022 was \$130,000 (again, per CI-

MA's annual report) and for 2023 was \$153,000. Just to compare the two numbers side by side, CIMA's total board remuneration for 2022 was \$130,000, while HSA's board remuneration for 2022 was almost \$251,000. In 2023, CIMA's total board remuneration was \$153,000 and the HSA's total board remuneration was almost \$251,000.

Mr. Chairman, before I get into the line of questioning with regards to the management of HEA 2, it's important that we understand what is the culture of the board at this level, because the board ultimately drives the performance of the HSA. If what you read in the media is correct, you can't be asking the HSA, or whoever it is, to have a hiring freeze, when some board members, as I understand it, are going home with \$8,000-\$9000 per month while some staff members aren't [earning] anything close to that. I'm trying to get a better understanding of why there is this massive increase in director's fees payable at the HSA.

The Chairman: Honourable Minister

Hon. Katherine A. Ebanks-Wilks, Minister of Environment and Sustainability, Elected Member for West Bay Central: Through you, Mr. Chair. I can say to the honourable Member that board compensations, as you know, are typically agreed upon by Cabinet and some boards' remuneration has been reviewed whilst others haven't. I would imagine that's the reason the compensation has increased for HSA as it relates to the compensation of the members.

Mr. Christopher S. Saunders: Minister, I am going to give a you bit of insight: I do not ask questions to which I do not have an idea what the answer is.

I'm going to give you something else to consider. Based on your response, then, since, as I understand it, the board members at the HSA are paid on a per meeting basis—can I ask for this Committee to be provided with a list of the frequency of meetings? I know you wouldn't have that information today, but can you provide for me and the Members here, the list of meetings that have been called by the HSA since at least 2020, in terms of frequency.

Basically, I understand that some members are attending four meetings per week. When you're being paid \$500 per meeting for regular members and, I think, \$750 for Deputy Chair and \$900 for Chairperson, then having several meetings per week... This number will go up. I suspect that there is some level of abuse that is now going on as a result of this 'per meeting' basis. I've just been told sometimes two meetings in one day at \$500 a pop for a regular meeting. That is ridiculous!

At this point then, I'm going to ask [you] to provide to this Committee and the Members here the list and the frequency of all the meetings that have been [attended] by each of these directors, because this is supposed to be a public service, and I can tell

you, as a former director of the HSA, when we were being paid, I think, \$150 or so way back when, for this now, this is unconscionable. Therefore, can you at least provide a list of the frequency of the meetings that generate this level of compensation to board members, which is almost \$100,000 in excess of what CIMA is doing?

The Chairman: Minister, can you give the undertaking?

Hon. Katherine A. Ebanks-Wilks: Thank you, Mr. Chair. That's what I was just about to do. [I will give an undertaking to this honourable House to provide that information in due course.](#)

The Chairman: Honourable Members, having just heard the line of questioning, [I also give an undertaking to the honourable Member that as a government, we will look at how compensation is structured across all boards](#), because certainly, as you have alluded to, when you go per meeting, there can be an incentive to have more meetings versus just capping it and saying, *here's what you will get per month to be a Director of an agency.*

I also know that the honourable Member for Bodden Town West would agree with me that whilst part of this is a public service, we also understand that there needed to be some professionalisation of some boards, and ensuring that persons who brought certain skill sets weren't disincentivised from being on boards—and we know this from our past. However, there is a balance to be struck, I think, is what the Member is alluding to. [Thus, we will take a look at board members and board compensations and ensure that for the boards that are to carry a heavier load like CIMA and the HSA that we structure it properly and in a way that perhaps will not have this line of questioning in the future.](#)

I recognise the Member for Bodden Town East.

Mr. Dwayne S. Seymour: Thank you, Mr. Chair.

The question I want to ask, [I'm] investigating really, and trying to get some information as to the rates that are billed to the government for HEA 2. This has been a pet peeve of mine for a while in terms of the rates that the HSA bills to the government for their services. Am I correct in saying, that where an item is \$10 billed to everyone else outside of the government, the government is also billed \$10—or do we get some kind of relational preferred rates?

The Chairman: Honourable Minister.

Hon. Katherine A. Ebanks-Wilks: Through you, Mr. Chair, I ask the Member to give me just a moment to consult with my team.

Mr. Chair, through you to answer the Member's questions: The rates are the same. It's the Standard Health Insurance [Contract] (SHIC) rates that are being charged.

The Chairman: Honourable Member.

Mr. Dwayne S. Seymour: Thank you, Mr. Chair.

I'd like to know if the Government would be willing—and I guess you could answer this, Mr. Chair, as Minister of Finance—to have the discussion with the HSA as to how, and the rates and the scales that are being charged back to the government who also holds liability for the HSA.

The Chairman: Can I ensure I understand the question, honourable Member? I thought the Minister indicated that the rates are the SHIC plan rates.

[Inaudible interjection]

The Chairman: SHIC.

[Inaudible interjection and laughter]

The Chairman: The SHIC plan rates.

Mr. Dwayne S. Seymour: Mr. Chair—

The Chairman: This is what happens when you go down this line of questioning—things go to SHIC.

[Laughter]

Mr. Dwayne S. Seymour: I mean, I guess as a government entity, I wanted to know if there was a possibility that we could negotiate some kind of preferred relational rates. Would the Government be amenable to having this discussion?

The Chairman: Well, on that basis alone, we take money from one hand and put it into the next hand, Member.

You would appreciate that asking the HSA to give CIG a preferred rate will contribute to a deficit at the HSA because they're not going to employ any fewer doctors, the electricity bill is going to remain the same, et cetera, et cetera, and then we would then have to fund them in some way, shape or form. We really need to know, through cost accounting, what the HSA is making, and make it comparable across the board. I would certainly not support any preferential rate along those lines because then, other persons may come and start asking for a preferential rate and then the deficit for HSA will grow even bigger.

Any other questions?

Mr. Dwayne S. Seymour: Thank you. I think that's fair, Mr. Chair.

Another thing I wanted to ask for some time now, [which] I guess is not only for the HSA but it affects the HSA, is the \$27 million, 90-day facility. It is a question I've brought up many times, in terms of us reducing this to 60 or 30 [days] to free up some cash. It's just a question.

I understand these monies are placed in an account and they gain interest which is used for whatever purposes but, would this Government have any appetite to investigate reducing the 90-day facility for those government Departments that have to do so? The FS knows this is a question I've brought up for some time now; I also see it as holding double liability, because we still hold the liability for these Departments.

The Chairman: As I understand it, Member, the issue still revolves around the big picture of how the FFR is framed, and that is, that these rules that apply to central government also have to apply to the entire public sector—the entire government. Hence, I think that's a wider question, and I think at this stage, we are certainly not going to engage in a renegotiation of the entire FFR.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chairman.

The Chairman: Deputy Leader of the Opposition.
As I catch my breath.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Thank you, Mr. Chairman.

Can I ask the Honourable Minister whether this amount will be sufficient to get them through the rest of the year?

The Chairman: Member, in my opening remarks and in the Schedule, we have made it clear that it will not, and we're giving this amount as 50 per cent, hoping that they would manage it as tightly as possible and then we would call a future Finance Committee, say sometime in September, to deal with the rest. As we know, there's potentially going to be the same thing for Veterans and Seamen, not to predict negative outcomes, but all of us who have been around the budget know that there are certain areas that we're going to fall short in, in regard to these types of arrangements that we have that are necessary. Thus, we would call another Committee [meeting] because we want to ensure that, you know, we're working for the people.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chairman, I'm going to try to say this as politely as I possibly can. I do thank you for your input in respect of the line of questioning—every time, it's very necessary; but when questions are put to the Minister, outside of the answer itself, it also gives the

level of competence, knowledge, and know-how of the relevant Minister in respect of their subject matter.

[I'm] not telling you what to do, Mr. Chairman, but the listening audience, and this honourable House, have to see that the respective Ministers are adequately informed and prepared, to respond to the questions. I see that you are super informed on all these areas, which is appropriate for the Minister of Finance, but I hope the Minister can actually answer the question, sir.

Hon. Katherine A. Ebanks-Wilks: Mr. Chair, through you: I am very capable of answering the question. I was going to redirect the Deputy Leader of the Opposition to the comments you made when you opened, by simply saying that we are already anticipating we will have to come back, but we are here today to take just about 50 per cent of what we are anticipating will be needed.

Thank you very much, sir.

The Chairman: Thank you very much, Honourable Minister.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Thank you, Mr. Chair.

I want my good friend, the Honourable Minister, to know I wasn't indicating that for her. I was setting the stage for the future, because the Ministers need to answer the questions. They're the ones responsible for the line items.

My last follow up question, Mr. Chairman, and it's just for a matter of record, because you're going to see that we're going to set a stage here shortly. Can we say who the Honourable Minister was at the time of this budget approval?

The Chairman: Before the Member answers, let me make sure the Honourable Deputy Leader of the Opposition understands some very basic parliamentary procedure.

In my opening comments, I said, at this time, only \$20.537 million is being requested as Supplementary Funding for NGS 55, but the Government intends to return later in the year for the balance of the funding. I then went on to say, in relation to this item (HEA 2), "at this time, \$8.25 million is being requested as Supplementary Funding, but the Government intends to return later this year for the balance of the funding". Hence, Member, if we're going to play by the rules you just said, please note that in the future, I will not allow any question asked in this Committee which I have spoken to in my commentary, because I've already answered it.

Proceed Member.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Thank you, Mr. Chairman.

I thought we had passed that already because I accepted the Member's answer as well as yours. I was actually moving on now to ask about the \$12 million for 2024 and \$12 million for 2025. What I'm trying to ask, Mr. Chairman, through you to the Minister: can the Minister say whether or not that was the proposed adequate amount for the year?

The Chairman: Minister, could you answer the question?

Hon. Katherine A. Ebanks-Wilks: Mr. Chair, through you: I think this has been raised earlier. It is evident that this is a trend. If I look here, for the past few years, the actual original budgeted amount versus the actual expenditure is significantly different and that is not a today issue, it has been ongoing for a number of years.

What I'd like to say, through you Mr. Chair, is that it certainly takes a change with this new Administration. We need to set realistic and honest answers to the people as it relates to what it takes to fund HEA 2 and NGS 55. Fortunately for me, I sit with a Cabinet that understands and appreciates the fact that this is a priority versus any huge capital projects.

Thank you.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Thank you, Mr. Chairman. I'm done.

The Chairman: Honourable Member for Bodden Town West.

Mr. Christopher S. Saunders: Thank you, Mr. Chairman.

Mr. Chairman, I just want to understand something, and again, this goes back to the culture of the HSA, specifically, because I think it is something we need to get to the bottom of, and I'm setting the stage as you guys prepare your budget and your Strategic Policy Statement in terms of where my headspace is, in this regard.

As I said earlier, I noticed when my good friend from Bodden Town East was the Minister, the HSA had a profit of \$8 million for 2021, generated from \$169 million in revenues and \$161 million in expenses. I noticed that in 2023, the HSA had \$177 million in revenues and roughly \$184 million in costs and had a net loss of \$7 million; so in essence, they moved from \$8 million profit to \$7 million loss in the space of two years, which is a \$15 million swing. However, when I looked at their revenue, it went from \$169 million in 2021 to roughly \$177 million in 2023, so they basically had an \$8 million increase in revenues in that two-year period.

Further, their operating expenses went from \$161 million in 2021 to roughly \$184 million in 2023, which is a \$23 million swing so in short, in a two-year period, revenues went up by \$8 million and expenses

went up by \$23 million. I also noticed that staff costs alone, went from roughly \$94 million to roughly \$118 million, so a significant increase.

What I'm trying to understand now is the growth in the staff costs, which ultimately is driving up the loss position of the HSA. What new services are actually driving those increases in staff costs, because when you have revenue going up by \$8 million and expenses going up by \$23 million, it is a recipe... a trend, that cannot continue. I mean, if you continue like that over ten years, it will be a \$150-million problem.

We went from a good performance when my good friend from Bodden Town East was Minister to where we are now. I'm trying to get a better understanding of what is driving the increase in staff costs, what services are being added?

Hon. Katherine A. Ebanks-Wilks: Mr. Chair, I ask for just a few minutes to liaise with my team.

The Chairman: Certainly.

Just to say very quickly, Members, that the two periods under comparison were within the last political term.

Mr. Christopher S. Saunders: Well, 2021 we kind of inherited, because the last Government went out in 2021. The trend and the momentum had already started before 2021; it would be unpolitical to take credit for something someone did, especially considering that the previous year he also had a profit.

The Chairman: Understood, Member.

[Pause]

Hon. Katherine A. Ebanks-Wilks: Mr. Chair, through you.

The Chairman: Honourable Minister.

Hon. Katherine A. Ebanks-Wilks: To answer the Member's question, I've been informed that the majority of the increase has to do with the fact that we have a significantly larger population and some services have increased. We now have additional neonatal services; internists, orthopaedics and orthopaedic surgeons; a neurologist, [a] neurosurgeon, and an additional paediatrician in [Cayman] Brac.

The reason for staffing up is to reduce the number of referrals, because with the increase in population, it is certainly becoming difficult to keep up with the demand.

The Chairman: Honourable Member.

Mr. Christopher S. Saunders: Mr. Chairman, through you, I am looking at page 48 of the Cayman Islands

Health Services 2023 Annual Report that breaks down where the different staff sit, and I'm just going to say this much for when budget time comes around. For the Members on the Government side to look at those services in terms of where the staff sits so we can have an idea of where the actual growth is. I notice, for example, that neurosurgery and chiropractor services, et cetera, are some of the areas being added.

The reason I'm asking these questions, Mr. Chairman, is that we now have several medical facilities on island—Doctors Hospital, and Health City that have also expanded. [Whilst] the population is growing those other hospitals are also growing their services. I think it's high time we sit down and have a comprehensive discussion with all hospitals and look at the services being offered on island, to see whether we are duplicating any of them, because we're still a small, limited, population. While I accept the HSA will always be the primary care giver for Caymanians, if private sector organisations are providing the service at a reasonable cost, I don't think it is something we need to be expanding into.

Like I said, I've gone through the annual reports and looked at the growth, the year-on-year movements, et cetera, and I can tell you it is concerning, especially when you consider that as of 2023, [there's] basically 1,198 total staff at the HSA. When you look at the building space, sometimes you wonder where these people are going. If you look at the staff costs increase alone between 2020 and 2023—where are these people going?

Luckily, the list of places being rented is also included in the Annual Report—I don't need to ask the question, because the leases are actually included in the financial statements but at some point, we need to have this conversation because, as I said, an \$8 million increase in revenues and a \$23 million increase in cost in a two-year period is unsustainable for this country. We can't maintain this.

The Chairman: Honourable Minister.

Hon. Katherine A. Ebanks-Wilks: Thank you, Mr. Chair, and I thank the Member for his question as well as his observations. I will say that we are still in early days. We are looking at the services provided by HSA, and the Government will be taking its position which Members will become aware of in short order.

Mr. Christopher S. Saunders: Through you, Mr. Chairman: May I just ask for one more consideration while that exercise is being undertaken? To also take a look at the ambulance services being provided.

I have bedridden seniors in my area who sometimes need ambulance service just to go to a doctor's appointment, and I understand there are challenges in that regard. I ask them to look at the overall ambulance service and its structure. I understand there was even an incident recently, whereby trying to

move a patient from Health City in Camana Bay to Health City in East End was an issue.

We even need to look at the overall structure of the ambulance service—should it be under the Fire Service as an Emergency First Responder System, or remain with the HSA? As we grow and look at strategic initiatives, we need to factor in the country's growth, the movement in demographics and the fact that we have other facilities, because the last thing we want is more ambulances on the road running through traffic, especially from the eastern districts and Town.

Those are things I would ask to be looked at, as you undertake this exercise.

The Chairman: Honourable Minister.

Hon. Katherine A. Ebanks-Wilks: Mr. Chairman, thank you.

Just to say to the Member, that the holistic review includes and [is] not limited to ambulatory services. Thank you.

Mr. Christopher S. Saunders: Excellent.

Thank you, Mr. Chairman.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chairman.

The Chairman: Honourable Deputy Leader of the Opposition.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Thank you, Mr. Chairman.

Unfortunately, the DFA Chief Officers and members have left, but I have a question that relates to HSA that connects to the DFA and actually CINICO. If I'm correct in my understanding, Mr. Chairman, you are responsible for CINICO.

The Chairman: Yes.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Okay.

Only in context of the conversation, there's been an ongoing problem—the Minister [with responsibility] for DFA would probably be debriefed on this; whereby the challenge for an indigent person getting health care benefits goes through three different Ministries in order for it to be approved. The now Premier would be aware of this.

It goes to DFA for approval after being assessed whether you do not have the monies available to pay for it; then it has to go to the HSA for a doctor to determine that you need medical services, then goes to CINICO for them to actually approve it. There have been so many discrepancies, particularly with indigent—whether a person is deemed indigent or not and the different levels of workability, so the discrep-

ancies from one doctor to another doctor could change in one day.

I know that the Head of HSA, Ms. Yearwood has been working really, really hard. I must put on record that she's an amazing leader so I'm really proud that she's doing what she's doing there, but the process for healthcare for indigent persons takes so long just because it goes from one to the other. The new Chief Officer for Health may be fully aware of what happened in DFA and can maybe say whether or not there are going to be improvements to that process, because sometimes our people need help quickly but the process takes so long because it has to go across three different entities in three different Ministries.

I don't know if the Minister can opine on that.

The Chairman: Honourable Minister.

Hon. Katherine A. Ebanks-Wilks: Thank you, Mr. Chair.

Through you: Just to say to the Member that it is a process we are looking at right now through the Ministry; we will endeavour to make the process much easier. Remove some of the—I guess it could be seen as bureaucracy by many of the applicants, but ensuring that we are complying with legislation. There might be legislative changes needed, and we are currently looking at that at the Ministry.

The Chairman: Are there any further questions? *[Pause]* Are there any further questions? *[Pause]*

If not, I'll take the vote on the Supplementary Appropriation being sought by the Minister of Health, Environment and Sustainability as it relates to HEA 2 - Medical Care for Indigents.

All those in favour, please say Aye. Those against, No.

AYES.

The Chairman: The Ayes have it.

Agreed: HEA 2 passed.

NGS 55 - Tertiary Medical Care at Various Local and Overseas Institutions

The Chairman: I now open questions as it relates to Appropriation changes by the Minister responsible for Health, Environment and Sustainability for Supplier Output Cayman Islands and Overseas Hospitals—Appropriation reference NGS 55 - Tertiary Medical Care at Various Local and Overseas Institutions.

This item is now open for questioning. Does any Member have any questions? *[Pause]*

Honourable Member for Bodden Town East.

Mr. Dwayne S. Seymour: Thank you, Mr. Chair.

Obviously, this is a very important vote and support that our people need. I'm happy that the Government of this country is able to provide such to some of our most vulnerable.

Mr. Chair, as the Minister said earlier that she's reviewing some of these policies, I'm wondering... because we can't continue on this track, this is going to break this country. I know we looked at some systems in the past to try to take care of this NGS 55. Is the Minister undertaking any reviews trying to figure out how to manage this Appropriation a little better than we had in the past?

The Chairman: Honourable Minister.

Hon. Katherine A. Ebanks-Wilks: Thank you, Mr. Chair.

Well, firstly, just to educate the listening public, I guess. All of us, Members, know NGS 55 but for those who are listening, NGS 55 is to provide tertiary medical care to the indigent, seafarers and veterans. We certainly know that for our seafarers and our veterans, there's not really much we can do about that Appropriation because they have built this country and it is the Government's responsibility to make sure that they have the best health care available.

What I can say, as it relates to the other individuals who fall in the indigent category, is that there is a comprehensive review of the entire healthcare of those individuals. Something we are going to try to approach from the wellness side is to ensure that we are focusing more on preventative care so that we don't find our citizens, even if they are indigent, falling in the case of being medically indigent, which is pushing up much of the cost as it relates to this TP.

Mr. Dwayne S. Seymour: Mr. Chair.

The Chairman: Member for Bodden Town East.

Mr. Dwayne S. Seymour: I really thank the Minister for a comprehensive answer and look forward to some of the work that her team will do. I'm glad to hear her mention "wellness", which is key. I think when we talk about wellness, if the Minister can also investigate taking wellness to the people; rather than just having it in George Town, have it in every district, even under the trees, wherever people gather, you know. Go to them.

Definitely, some people are actually challenged by the fact that they don't have health insurance, so they're scared to go to the hospitals and would rather suffer than to be embarrassed. They don't even know the procedures or that it's okay to go.

What I want to say is if the Minister can also look at a White Paper that was done some years ago by the Ministry—I think the Chief Officer should have that information—in terms of us having some form of cabotage rate, some of what my colleague from Bod-

den Town West mentioned earlier, to see if we can work with other organisations. I remember Baptist, Cleveland, and others came down to meet with me trying to offer cabotage rate services. I'm sure we can somehow negotiate special rates, whether with Health City or Doctors Hospital for some of that business.

What was in the White Paper, Mr. Chair, was that they would take on some of the business for five years at a time and freeze the rate that was currently being paid out—whether that was \$50 million at the time, freeze it for five years. The savings at the time were going to be about \$50 million over the five-year period and they would charge the same rate for five years. I think right now, what we're seeing with this NGS 55 is [that] it is increasing by 10 to 15 per cent or more per annum—that would have been frozen. I was just trying to think outside the box at the time, I thought we were getting somewhere with it but our term ended or COVID came or something.

I think it is worth... Some of the medical facilities were ready to grab on to this and were even ready to ensure our people, all of the people on this indigent list; and if anything could not be handled here in Cayman by these medical facilities, they would actually also be responsible for sending the people overseas, even within this amount of funds, whether it was \$50 million—just using a number. Everything was going to be covered by them. The Government would have no more responsibility in terms of flying them out to Baptist or Cleveland or otherwise; all this was going to be in it, even Neonatal Intensive Care Units (NICUs). Some people may not know what NICUs are, but you know, babies were going to be included in this.

I think, Mr. Chair, we cannot continue down this route. I guess one of the answers to it is also the wellness factor, but we cannot continue down this route with the way that the NGS 55 is growing. I, too, have been a Minister, so I know the fight that the Minister is going to have in terms of trying to balance a budget for the whole Caucus and not realising the whole \$50 million in your budget, and you know, just playing a good team Member and agreeing to let the business of the country go on. Then, at some point, as the Premier said, what we always say, once you take it down for NGS 55 or HEA 2, no one is going to vote against it, they're going to give you your funds; that's the comfort I got.

Mr. Chair, Minister, I don't know how willing you are, to think outside the box to try to find a different way to try to manage these funds. I'm sure you are.

Hon. Katherine A. Ebanks-Wilks: Mr. Chair through you: Thank you, Member for all that you have added. I want to just say quickly that I failed to mention, as it relates to trying to bring down the cost, that is something we are going to look at is leveraging purchasing agreements for high-cost drugs to be able to access

these drugs at a lower or discounted price. That is certainly driving up the cost.

Then, taking wellness to the people, I certainly plan to do that, and guess where I'm going to start, right here. I'm going to start by hoping that we will all lead by example and I'm going to be mentioning the plans very soon; I really hope that as a country, and we, as leaders of the country, can really take wellness to another level.

As you mentioned, your White Paper, I haven't seen it, but I give a commitment to reading it and hopefully taking on some of the suggestions. It really sounds like something that we need to be looking at right now. As I mentioned earlier, we are seeing now that we have many more people in the country [and] there really hasn't been much talk about capacity, but I'm sure if we don't find some interim measures, I'll be back here and that will be something.

I'm praying that we don't get to that stage, and I thank the Member for his information.

The Chairman: Does any other Member have any other questions?

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chairman, I just want to confirm that NGS 55 has taken the same line of lack of proper budgeting as the previous two-line items. Can the Minister confirm?

Hon. Katherine A. Ebanks-Wilks: Yes, sir. That is confirmed.

Again, a trend that we've seen with this line item is that it is always significantly under-budgeted and then there are frequent Section 12 requests that come throughout the budget year.

The Chairman: The Member for George Town East.

Mr. Roy M. McTaggart, Elected Member for George Town East: Thank you, Mr. Chairman.

Through you to the Minister: Can you tell us how long this \$20 million is expected to last?

The Chairman: Minister?

Hon. Katherine A. Ebanks-Wilks: Thank you, honourable Member. We are hoping it will take us to about August, as the Chair mentioned earlier.

The Chairman: Just so Members are aware, to September.

Hon. Katherine A. Ebanks-Wilks: Sorry, September.

The Chairman: The idea is that we will be returning in September to do another Finance Committee. I will ensure that we give more than 22 hours' notice.

Mr. Roy M. McTaggart: Thank you too, Mr. Chair.

Another question: Looking at the flows coming back in September, the Pre-Election Economic and Financial Update (PREFU) projected \$60 million this year for NGS 55. I think I heard you say about \$55 million, this morning?

The Chairman: Yes, honourable Member.

Mr. Roy M. McTaggart: Okay, so anywhere between \$55 million and \$60 million. It would appear to me, not all of it but certainly, between \$20 and \$25 million being incurred in the last three to four months of the year. The amount seems to be just quite large to be incurred in the last three to four months of the year.

I'm wondering how that all plays out for us. If the funding is really going to be so significant, it's going to have a fairly significant effect on what is a potential deficit for the year.

The Chairman: Just to be clear to honourable Members. I mentioned the rounds the Finance Team went through before preparing the PREFU, The increased numbers I have spoken to today, are already accounted for in that \$26.2 million projected deficit.

Member for Bodden Town West.

Mr. Christopher S. Saunders: Thank you, Mr. Chairman.

Mr. Chairman, through you. Expanding on what my colleague from George Town East mentioned a while ago in terms of the PREFU for NGS 55 being \$60 million, and considering [that for] HEA 2, you are looking at around \$28.5 million, I think, for the full year, it basically means that the combined spend for NGS 55 and HEA 2 for this year is going to be close to \$100 million.

I say that in the context that in 2023, if memory serves me right, we spent \$78 million in total for both NGS 55 and HEA 2, and in a two-year period, we're talking about going from roughly \$78 million to almost \$100 million—that's an increase of \$20 million in the space of two years. Additionally, as the Minister said, this vote covers the cost of seafarers, veterans and the indigent. I think Members and the public can all agree, that the number of seafarers that we have is actually decreasing each year, unfortunately. The number of veterans is also decreasing, but the number of indigent has increased and that is actually driving this cost.

I'm going to say right now, and this is not just for Ministers of this Government; it is for every one of us in this Parliament to be concerned about, because it goes past politics now. We have an aging population, they're not getting any younger, and the scariest part about it, Mr. Chairman—I want to put it out [there].

Looking at the last numbers from CIMA's Annual Report and, again, I'm speaking from memory,

the total 2023 profit in the health care industry, was the equivalent of CI\$19 million, of which \$10 million belonged to CINICO, which means the other insurance companies are sharing [the remaining] \$9 million profit.

I'm going to say again, at what point are we going to see these foreign insurance companies pull out, and leave an aging population with pre-existing conditions? We've seen it already, when other insurance companies have left and people had to go out and get insurance elsewhere. As we're looking at this issue, we need to start looking seriously at a national insurance solution because when they can no longer make a profit, the private sector will pull out and leave our people when they need it. The trend, if you look at it, is that they are making less and less money every year [because] of an aging population, and we are going to be the ones stuck with turning off the lights when this issue happens.

From that standpoint, Mr. Chairman, as we are looking at this entire review, and to give credit where credit is due, if memory, again, serves me right, the last time a complete review was done, was when you were a Minister in Cabinet with Mark Scotland. That was the last time a comprehensive review was done, and that was from 2005 to 2009, to put things in context, so this is long overdue.

I will also ask them to look at even having a Capitated model or something. That would actually help, but we need to look at this holistically and factor in that there is a very strong possibility that some of the very insurance the private sector is carrying now, may pull out of Cayman and we have seen it already. Further, if you look at the way the numbers are trending, it is not a matter of "if" but a matter of "when" is going to happen, so we need to be the ones because, ultimately, it is our job to be looking out for Caymanian people.

This is not something this Government inherited. It is something that every one of us here has to deal with. This is not a political issue now, but a national priority for our people. I can tell you right now, recognising the importance of this—and it is something I'm very passionate about: if anything, I think we should take a bipartisan approach or solution to this and not make it a political issue.

Thank you, Mr. Chairman.

The Chairman: Member for Bodden Town West, the point is well taken. In fact, I have with me the unaudited results from 2023 for the two items combined, \$78 million; [and] unaudited for 2024, \$82 million. In this round, at this stage, we think the Ministry estimate is \$29 [million] for HEA 2 and \$55 [million] for NGS 55, which gives us \$84 million.

The point is not lost on the Government that as this sector continues to have persons move from the private sector to government—and this has been a conundrum that many Members have always grappled

with, which you just pointed out, whereby people say loosely, *well, we're having less seamen*. Whilst we're having less seamen, there are spouses of seamen, but on top of that, to bolster up your argument and your point—which is well taken—we know that health insurance companies keep people on until they retire, which is when they are less healthy and guess what? They show up on government's doorstep, which is driving the \$78 [million] to \$84 million, so you're quite right; those are the shrinking profits that are now showing up at a cost to government.

Hence, the Government is committed to a review. Certainly, I suspect your offer of doing this in a manner that represents the whole House because, as you've said this is a national issue is going to be, I dare say, the right way to go for us to look at how we actually approach what health care—and, more importantly—health insurance, looks like in Cayman.

Member for Bodden Town East.

Hon. Dwayne S. Seymour: Thank you for that, Mr. Chair.

I think you went into it, but I'm not sure if you mentioned whether the Honourable Minister—I'm not sure which one has responsibility for the Seafarers. Are we going to change the policy in terms of new wives? Sorry, I'm not trying to curtail anyone's marriage.

The Chairman: I will gladly ask the Minister responsible to respond.

Hon. Isaac D. Rankine: Mr. Chairman, it is something that will be taken under consideration, sir.

The Chairman: Member for Red Bay.

Mr. A. Royston Tatum Jr., Elected Member for Red Bay: Thank you, Mr. Chairman.

I just want to say I was very pleased to hear about the review where we will be looking at leveraging buying power. Medicine is something that, sadly, over the last couple of years, I have come to appreciate how expensive some medicines can be, particularly those [which] are cancer-related. I personally know of a situation where one particular medicine was \$23,000 across several hospitals here—\$23,000 which has to be paid every three weeks. Fortunately for the individual, one hospital had it for \$8,000; that's a tremendous difference.

I don't know what the reason for that difference was, but I suspect it might be partly because of their ability to purchase in large quantities or something of that sort, so I encourage you to carry on with that and hopefully we'll have some good luck getting those costs down.

The Chairman: Minister.

Hon. Katherine A. Ebanks-Wilks: I thank the honourable Member. I, too, personally understand these issues [and it is something that we will undertake to look into](#).

The Chairman: Are there any further questions? *[Pause]* Any further questions? *[Pause]* Any further questions? *[Pause]* No further questions.

All those in favour of Appropriation changes sought by the Minister of Health, Environment and Sustainability as it relates to NGS 55 - Tertiary Medical Care at Various Local and Overseas Institutions, for an additional \$20,537,000 to the Appropriation, please say Aye. Those against, No.

AYES.

The Chairman: The Ayes have it.

Agreed: NGS 55 passed.

The Chairman: Members, this has brought us to the end of the process as it relates to Finance Committee for today.

Mr. Christopher S. Saunders: Mr. Chairman.

The Chairman: Member for Bodden Town West.

Mr. Christopher S. Saunders: Before you wrap up and have the final say, I want to apologise for my absence in the next parliamentary session. Unfortunately, my wife's father passed away three days ago, and Parliament is set for the same time as the funeral, so I'll be off-island and will miss the next session. I want to offer my apologies from now.

The Chairman: Thank you, honourable Member. On behalf of the Government and the Committee, I would offer condolences to you and your good wife and her family.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chairman.

The Chairman: Honourable Deputy Leader of the Opposition.

Mr. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chairman, it is more of a matter for budget time. I know we are trying to advance ourselves to be paperless, but I want to get confirmation whether the Budget documents and Plan and Estimates will still be provided for Members in the form it's currently being given.

As you can tell, many times you have to go through different documents back and forth—the Appropriation Bill, the Plan and Estimates, the Budgets and so forth—to understand where the focus is for the

monies. Though I would like to be efficient with my technology, one screen would not allow me to be able to manoeuvre back and forth, so I just wanted clarity that these will still be printed and available for Members in the upcoming budget.

The Chairman: Honourable Member, I know that there is a move by the Parliament to reduce paper and go paperless, but with something of this significance, [what I can say and commit to the Committee](#)—because at that point we'll be in Committee—is [that for those who do prefer paper we will accommodate that](#). We'll do a quick whip around and ensure we understand who would want those on paper.

Member for Bodden Town East.

Hon. Dwayne S. Seymour: Mr. Chair, I thank you so much for allowing me to offer to my butt and bound constituency Bodden Town West Member, my condolences to his wife on the passing of her father.

Thank you.

The Chairman: Minister of Health.

Hon. Katherine A. Ebanks-Wilks: Mr. Chair, thank you.

Through you: I, too, would like to offer condolences to the elected Member and his family.

I would like to ask if you could allow me to thank my team for coming here and assisting me during this Finance Committee.

The Chairman: Absolutely. I wish to thank all Honourable Ministers—

Honourable Premier.

The Premier, Hon. André M. Ebanks: Mr. Chair, just some closing comments.

I'd like to thank all Members who were able to attend today on short notice given the urgency of the matter of delivering essential services to our people, and thank them for their time, consideration and good points and discussions. I think two overarching points emerged from the entire meeting of this Committee.

One: we would prefer to strive as much as we can to break the trend of successive social development and health ministers being in a position to try to be team players, to balance something they've advocated for, (know won't last), to have realistic budgets.

Two: in order to have any shred of the budget actually lasting, we're going to need system changes. We're going to have to rationalise services. Ensure they are as efficient as possible, that we're making prudent decisions, [and] there are assessments. If there are services extended to continuing spouses, which was not the intent of the policy, hard decisions are going to have to be made.

In addition, if services are frozen for assessments for political purposes or increases that can't be

justified, we're going to have to make harder decisions to make these budget items realistic and long-lasting to serve the overall best interest of the country.

Thank you, Mr. Chair.

The Chairman: Thank you.

I wish to thank all Honourable Ministers, Parliamentary Secretaries, Members of the Opposition [sic] Bench, Chief Officers and all of the civil servants who provided answers to questions raised by honourable Members of the Opposition today. Approval of these items by Finance Committee will now enable it to form part of the Supplementary Appropriation Bill for the 2025 financial year.

Honourable Members, you will also know that although Finance Committee approved these items today, the same items will be seen again later by the Committee, because the Government has to include these items in a Supplementary Appropriation Bill for the 2025 financial year, which Committee Members will see. Such a wrap up Supplementary Appropriation Bill is due to be presented to the Parliament no later than three months after the 2025 financial year, in other words, by 31st March, 2026.

Proceedings in Finance Committee are now concluded, and approvals granted by Finance Committee will enable budgets to be increased so as to allow additional expenditures to be included in the areas of expenditure which the Committee has discussed, questioned and approved.

I thank you all, Honourable Members.

At 12:26pm the Finance Committee adjourned.