



# **CAYMAN ISLANDS GOVERNMENT**

## **SUPPLEMENTARY EXPENDITURE REQUESTS TO FINANCE COMMITTEE FOR APPROPRIATION CHANGES**

---

**FOR THE YEAR ENDING 31 DECEMBER 2025**

**PREPARED IN ACCORDANCE WITH 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 Thursday, 25<sup>th</sup> September 2025, at 10:51a.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. Rutty  
Hon. Katherine A. Ebanks-Wilks  
Hon. Michael S. Myles  
Hon. Johany S. Ebanks  
Hon. Nickolas T. A. 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  
Hon. Kenneth V. Bryan  
Hon. Juliana Y. O'Connor-Connolly, JP  
Hon. Pearlina L. McGaw-Lumsden  
Mr. A. Roy Tatum, Cert. Hon.  
Mr. Christopher S. Saunders

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

**Apologies:** Mr. Roy M. McTaggart, JP  
Mr. Dwayne S. Seymour, CCl, JP

**Witnesses:** Ms. Cetonya Cacho, Chief Officer, Ministry of Education and Training  
Mr. Justin Ebanks, Acting Director, Department of Financial Assistance  
Mr. Fabian Whorms, Chief Executive Officer, Cayman Airways Limited  
Mr. Chris Jackson, Chief Executive Officer, Cayman Turtle Conservation and Education Centre Ltd.  
Ms. Lizzette Yearwood, Chief Executive Officer, Health Services Authority  
Mr. Troy Claxton, Chief Financial Officer, Ministry of Health, Environment and Sustainability  
Hon. Gloria M. McField-Nixon, Acting Deputy Governor  
Mr. Kurt Walton, Commissioner of Police, Royal Cayman Islands Police Service

**Procedural Clerk:** Ms. Nordra Walcott

---

*[Hon. Rolston M. Anglin, Chairman, presiding]*

**The Chairman:** Please rise. I would like to call this meeting of the Finance Committee of the Cayman Islands Parliament to order.

I call on the Honourable Deputy Leader of the Opposition to open with prayer.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition, Elected Member for George Town Central:** Let us pray:

*Heavenly Father, we thank you for the opportunity for us to be here today as we examine the finances of this country to provide for our people with services, education, food and opportunity.*

*We pray that you bless those who are not with us today due to ailments, and all those persons who are watching these proceedings today, to understand the running of business for the people of this country.*

*We ask that you bless all Members of Parliament that we work together hand in hand in a professional manner so that we can examine what's best for the good people of the Cayman Islands.*

*We say all of these things in your son, Jesus Christ's name. Amen.*

**The Chairman:** Thank you. Please be seated.

Let me thank the Deputy Leader of the Opposition for that prayer and I hope the prayer is indicative of things to come.

Good morning, honourable members of the Committee. We have a quorum so the Committee can commence its meeting. The quorum of Finance Committee is 10 members excluding myself, the Chairman of the Committee; 10 members is simply a majority of the 19 total Members of Parliament who all are automatically members of this standing committee.

The purpose of the meeting of Finance Committee is to consider the expenditure items shown on the hard copy material that was distributed to all honourable members, including one motion that was also distributed to members and will be forthcoming. The Committee's approval for these supplementary expenditures is being sought. Honourable members will also know that the meeting of Finance Committee can be called in the absence of Parliament itself being in a meeting. This is permitted by paragraph 82 suborder (5) of the Parliament's Standing Orders.

I request members' usual cooperation in asking their questions promptly and succinctly.

Honourable members, the supplementary appropriation requests before you reflect the needs of our community and the Government's commitment to responsibly address emerging pressures while maintaining compliance with the framework for fiscal responsibility (FFR). In total, the Government is seeking approval for \$107 million in additional supplementary appropriations across eight broad categories:

1. Public Communications and Governance - approximately \$0.7 million is being sought to modernise Radio Cayman's equipment, add staff to strengthen public communications and cover forecasted shortfalls for Members of Parliament's salaries, severance and administrative support.
2. Education - \$19.3 million is being sought to meet growing education and care demands, cover staffing and operational shortfalls, support the CAYS [Children and Youth

Services] Foundation and provide adequate local and overseas scholarship funding.

3. Financial Services and Regulatory Compliance - \$4.1 million is being sought to strengthen Cayman's compliance framework ahead of the FATF [Financial Action Task Force] 5th Round Evaluation, including legislative upgrades, additional compliance staff, IT system enhancements, new registry teams and expanded regulatory capacity.
4. Social Development - \$7.4 million is being sought to provide financial assistance to eligible Caymanians, support youth transitioning out of care and continue ex-gratia benefit payments to seafarers and veterans.
5. Infrastructure - \$19.7 million is being sought for land purchases for conservation, to progress major road expansion projects and to advance the submarine cable project through its tender and business planning stages.
6. Tourism - \$13.7 million is being sought to support Cayman Airways' cash flow needs and provide operating support to the Cayman Turtle Centre.
7. Health - \$41.5 million is being sought to cover shortfalls in indigent, geriatric, chronic care and uninsured medical services; ensure adequate funding for local and overseas tertiary care; address waste management risks for tyres, scrap metal and derelict vehicles; and meet rising health insurance costs for civil service pensioners.
8. Security and Law Enforcement - \$0.7 million is being sought to enhance national security and better protect our borders and keep our communities safe.

Honourable members, the unaudited financial results to August 31, 2025 show that core government ended its first eight months still in surplus at \$144.2 million, a 45 per cent reduction compared to \$262.2 million surplus reported at the end of the first quarter (Q1) in 2025. Honourable members, the decline in the surplus that was reported since the end of Q1 of 2025 was expected. Historically, government's revenues earned between April and December do not fully cover monthly operating expenditures, resulting in monthly deficits from April to December. However, the accumulated surplus for the period 1<sup>st</sup> January to 31<sup>st</sup> March is usually so sufficiently large that it is able to withstand the monthly deficits from April to December. Thus, the end result of an entire year is usually a surplus.

Honourable members of the Committee will quite rightly ask, what are the financial impacts of these requests? The section 12 supplementary expenditure requests before you today, which total \$107 million, are projected to have the following impacts:

- Core Government's 2025 operating revenues are forecasted to be \$1.185 billion, which is \$49 million more than the \$1.136 billion originally budgeted.
- Core Government's operating expenses are forecasted to be \$1.174 billion, which is \$92 million more than the \$1.082 billion originally budgeted.
- Core Government's 2025 operating surplus is forecasted to be \$10.274 million, which is \$42.883 million less than the \$53.157 million originally budgeted.
- Core Government is forecasted to borrow \$150 million in 2025, and is forecasted to maintain compliance with all six of the principles of responsible financial management as at 31<sup>st</sup> December, 2025 with cash reserve days at 93.7 days.

Honourable members, let us now look at the first item on the Finance Committee's Schedule; that is CBO 21, Broadcasting of Financial *[sic]* Information and Programmes for the amount of \$253,200. Are there any questions on this item?

**Hon. Joseph X. Hew, Leader of the Opposition, Elected Member for George Town North:** Mr. Chairman? Sorry, I was trying to get your attention before we began.

**The Chairman:** Oh, sorry.

**Hon. Joseph X. Hew, Leader of the Opposition:** Thank you for that update, Mr. Chairman. We were actually planning to request an update so that we would be able to properly scrutinise these appropriations so that the country, not only us, but the country, knew the true financial position our government is in at the moment, because we have had contradictory information, Mr. Chairman.

Would it be too much to ask that we get a copy of the information you gave us and five minutes to huddle on it before we begin?

**The Chairman:** As in the contents of my opening remarks?

**Hon. Joseph X. Hew, Leader of the Opposition:** In particular, the update on the government's finances.

**The Chairman:** Honourable Leader of the Opposition, I have no issue with that whatsoever.

I will ask the Clerk to assist us in providing that information. After all, as you quite rightly said, we couldn't consider these without knowing the context and what the overall impact would be given the state of public finances; so I would ask if we could get these copied. I ask members if we would remain in our seats for the five minutes. Is that agreeable?

**Hon. Joseph X. Hew, Leader of the Opposition:** Thank you, Mr. Chairman.

Yes; and I appreciate it in the spirit of cooperation. Once we receive it, we'll just be a couple of minutes huddled over it. Thank you.

**The Chairman:** Thank you. We are officially suspended for five minutes.

**Committee suspended at 11:02 a.m.**

**Committee resumed at 11:15 a.m.**

**The Chairman:** Members, please be seated.

**Hon. Joseph X. Hew, Leader of the Opposition:** Thank you, Mr. Chairman.

**The Chairman:** Before we proceed, let me tender apologies for two members of the Committee.

Mr. Dwayne Seymour, MP, Elected Member for Bodden Town East is unavoidably absent as he's off island; and Mr. Roy McTaggart, Elected Member for George Town East is unavoidably absent as he is unwell. We certainly wish him well.

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

**The Chairman:** Mr. Bryan.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** I concede to my Leader.

**Hon. Joseph X. Hew, Leader of the Opposition:** Thank you, Mr. Chairman.

I beg your indulgence for one or two clarifications and maybe questions on the document we just received.

**The Chairman:** Please proceed.

**Hon. Joseph X. Hew, Leader of the Opposition:** Thank you, Mr. Chairman.

From myself: Where it says the core government is forecasted to borrow \$150 million in 2025. Can you clarify? Is that the \$150 million that was approved in the 2023 budget, or is it new borrowing?

**The Chairman:** This is the original that would have been approved in this budget and nothing has been drawn down to date. However, we did sign the loan agreement in August and under the terms of the agreement, we drew down \$25 million in August of this year.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Mr. Chairman, just for clarity.

Are we saying that there were two sets of \$150 [million] — or are you saying that the government is now going to use the \$150 million that was requested and approved for borrowing in the last administration, but was not used? Thank you.

Mr. Chairman, before you proceed with the line items, I am always mindful of the people who we represent and trying to be in the spirit of enlightening and educating. As we speak about section 11(5) and section 12, would you be ever so gracious to explain the basic meaning of what they are, so those who are listening can understand what we in this Parliament so adequately do on their behalf.

**The Chairman:** Deputy Leader of the Opposition, I understand the request. [Section] 11(5)s are a provision under the Public Management and Finance Act that allows the Government to spend up to five per cent of revenues for urgent and emergency purposes. Those are done via Cabinet and then an Appropriation Bill is brought to Parliament to regularise such spending.

What we are doing today is section 12, whereby we seek approval in advance of the spending. As I pick up where we were—

**Hon. Juliana Y. O'Connor-Connolly, Elected Member for Cayman Brac East:** Mr. Chair, I had my light on but I do not think you caught my eye.

**The Chairman:** Please proceed.

**Hon. Juliana Y. O'Connor-Connolly:** Thank you, Mr. Chairman.

By way of elucidation: The government is seeking approval of \$107 million in additional Supplementary Appropriations and you set out the eight broad incomes which I will not go into at this stage. Is this purely section 12, and if so, would it mean that the allowable section [11]5, which I believe is something like five per cent of the aggregate budget would be an additional figure? If so, could you give the aggregate amount extra, over the budget, that we would be seeking for expenditure, please?

**The Chairman:** Just for clarity: This is in addition to all the [section] 11(5) [appropriations] that have been approved. If the Member would permit us to proceed, I will get the aggregated 11(5)s to date and provide them in a few minutes.

**Hon. Juliana Y. O'Connor-Connolly:** Alright; and that would be just for 2024 — and the reason I am asking, so that you have a better understanding of the question, [is that] we were intimated, and reliably so, I believe, at the time, that we were very close to usurping the 11(5)s but as I peruse this, I see that some were done in August. I'm just wondering where the infused elasticity mushroomed from.

**The Chairman:** There wasn't any infused elasticity. We are close, but we still have about \$7 million to go to hit the buffer. Hence, the reason— well, it is not just “hence the reason”, but in the spirit of transparency, I much rather come and do section 12s, which obviously is appropriating before we actually spend the monies but we are still below the limit when it comes to 11(5) s.

**Hon. Juliana Y. O'Connor-Connolly:** I am very happy to hear that. I would have been much happier early in Q2 if that same figure had been conveyed.

**The Chairman:** Madam.

### **CBO 21 – Broadcasting of Public Information and On-Air Programmes**

**The Chairman:** CBO 21 – Broadcasting of Public Information and On-Air programmes for the amount of \$253,200. Are there any questions on this item? If there are no—

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

Can the Minister responsible for this area give us a basic overview for the need? I see the reason suggests an expansion of staff resources to meet current and future communication needs — maybe further expansion as to the vision and plan? Obviously, there must be some changes planned, even though the amount is \$250,000.

**The Chairman:** Honourable Premier.

**The Premier, Hon. André M. Ebanks, Minister of Financial Services and Commerce, Elected Member for West Bay South:** Through you, Mr. Chair. Thank the Member for the question.

In a nutshell, and this also relates to the next line item, is that there needs to be a redesign and enhancement of Radio Cayman. There was supplementary funding approved in 2024, and this amount in 2025 is to complement those amounts.

As an opening observation, I would like to thank the former Premier for recognising this because from the start of this term, when I did the tour of Radio Cayman, it was woefully inadequate in relation to modern communication — *woefully inadequate in relation to modern communication*; so they have several projects running.

They did a business analysis of how they conduct business, which was a draft report by KPMG. That has been received with recommendations on how they can enhance their profile. In addition to that, they did a social media and podcast service research which was conducted by Tower Media on how they can become more digital and impact more young people. Furthermore, the reception area, which all of us walk

through to go on the radio, is completely inadequate. The business case for that is done and the staff knows that it is incumbent upon us to finish that work before the end of this financial year.

Also, as all of us who go on the radio can see, the studio is ripe for revamping; it needs to be more modern and fit for purpose. That work also had followed a tendering process. The money is there, because it was appropriated. The tendering process is complete and now it's up to the staff to complete the execution so that we have a more modern Radio Cayman studio.

In addition to that, in terms of the capital structure, there are bunkers and towers that also need to be done. The one at Northward, the tower has been constructed, but the bunker needs to be completed. The money is also here. It's under these appropriations, but it is done in tandem with the Ministry of Home Affairs to help execute it. Minister DaCosta and I are also working feverishly for that to be completed. Same thing in relation to the Sister Islands — the Brac bunker, also critical infrastructure; if it goes, the Sister Islands are out of communication, so I'm grateful that this was identified and the monies were appropriated. Now it just comes to staff execution with vendors.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Through you, Mr. Chair. I want to thank the Honourable Premier and Minister [with responsibility] for Radio Cayman for that overview.

As for the description of the reason for Appropriation, it says "expansion of staff resourcing". We know that recently there has been a call in the community for persons who ran for political office to not be blacklisted per se, or not given opportunities. We had a very strong West Bay Caymanian who ran in the last election; a well-liked individual who hosted on Radio Cayman, who I know is now seeking job opportunities. I am also aware there is a gap currently at Radio Cayman whereby our good, well-known host Orrett "OC" (Connor) has to double up on resources for certain shows.

Is it something that the Ministry or the department is mindful of to not allow politics to get in the way, but to give an opportunity for a Caymanian to come back to the station and have an opportunity to feed his family and still give good commentary in a professional way as he has done for over a decade at Radio Cayman, or is there a policy surrounding this area?

**The Chairman:** Mr. Premier.

**The Premier, Hon. André M. Ebanks:** Mr. Chair through you. As a general matter, the Member is aware that per section 55 of the Constitution, the political arm is not involved in the hiring, transfer, or termination of staff.

As far as I am aware from the civil service, there is no policy that would prevent a political

candidate from validly applying for a post they may be qualified for and obtaining it; but in relation to staffing as a general proposition, we had to slow staffing to be sure that we didn't end up in an operating deficit which would apply across the board whether you ran or not.

The post which needed to be [filled] was critical because it was technological assistance the station needed, and [they] were able to hire an assistant engineer. Also, they hired at least another announcer, so the entity itself is not operating in a way that's harmful to itself. However, to return to your direct question, I am not aware of any policy that would prohibit a member of the community who ran, for applying for a valid post.

**The Chairman:** The Deputy Leader of the Opposition.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chair. I thank the Premier again for that elaboration.

Is the Premier willing to have the director opine further in respect of that, because the Premier is right to say that it's not within his purview to speak to that constitutionally. Maybe the representatives for Radio Cayman can opine on whether there is an appetite considering the fact that there should be no good reason why the person wouldn't be qualified for a post that currently needs to be filled. Is there any...

**The Chairman:** Member, I understand the logic of your questioning; however, in this forum, I don't think it would be wise for us to ask civil servants to opine on an individual. An individual needs to apply on their own merit and they, as civil servants, decide who comes into the organisation.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chairman, I'll take your guidance in that respect.

**Hon. Juliana Y. O'Connor-Connolly:** Mr. Chair.

**The Chairman:** Member for Cayman Brac East.

**Hon. Juliana Y. O'Connor-Connolly:** Mr. Chair, in an attempt to mediate, if I can be so bold, because it does say expand staff resourcing to meet current and future needs.

From a policy level perhaps it can be said whether or not this staff would be included to fill the vacancy that now exists at the departure of the staff, rather than asking about trying to put a particular staff in without it being advertised. At least I haven't seen any advertisements done on it.

**The Chairman:** Mr. Premier.

**The Premier, Hon. André M. Ebanks:** My understanding from the Chief Officer is that the

particular vacancy was filled once the individual left the organisation to run. That post is now occupied and the station is running at a capacity that's adequate to deliver its services.

**The Chairman:** Mr. Bryan.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chair. I'm not sure if the Premier wants to double-check with his team, but I have contrary information as to the fulfilment of that post and I think it's evident based on the fact that the current post is not filled in its totality by — one would assume — the person who was replaced [for] the show because I think we all know who we are talking about, but it is now filled on more than a 50 per cent basis by another host who's also working there, so I'm not sure... I don't want to say the Premier is not giving us factual information, but I had contrary and if he stands by that, then I'll take the word from that.

**The Chairman:** Premier.

**The Premier, Hon. André M. Ebanks:** Thank you, Mr. Chair, through you. Perhaps this will then clarify.

From a capacity standpoint to be able to deliver services, they are adequately covering without the post, but because we had to slow staffing to be mindful of a deficit, those posts haven't been advertised and as I mentioned earlier, the key priority posts were from a technological standpoint so they hired an assistant engineer. As and when funds become available and they can advertise, any member of the public can choose to submit an application.

**The Chairman:** Thank you.

All those in favour of supplementary expenditure with respect to CBO 21 - Broadcasting of Public Information and On-Air Programmes for the amount of \$253,200 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it. This item stands part of the Schedule.

**Agreed: CBO 21 passed.**

**The Chairman:** Moving on, honourable members, let us now look at the next item on our committee's agenda.

### **EI 36 – Cabinet Office**

**The Chairman:** EI 36 - Cabinet Office, for the amount of \$200,000. Are there any questions?

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

**The Chairman:** Honourable Deputy Leader of the Opposition.

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

I'm certain the Chief Officer would be aware that immediately behind the Radio Cayman station, there is a piece of land that is currently for sale and has probably been for sale now for three years. It was something I was trying to acquire to add to the government spacing which gives opportunity for Radio Cayman to expand in the future, as well as to not make certain lands just become more big buildings in the area. I wonder if it's something the Minister or the chief officer is minded to, or has examined a possibility of purchase.

**The Chairman:** Honourable Premier.

**The Premier, Hon. André M. Ebanks:** It is a proposal that has been considered but at the moment, our focus is on the actual premises itself.

**The Chairman:** Honourable Member for Cayman Brac East.

**Hon. Juliana Y. O'Connor-Connolly:** Thank you, Mr. Chairman to the Honourable Premier. Can the Premier indicate whether or not any of this \$200,000 will go towards a fully functioning bunker—the one that is next to Radio Cayman?

**The Chairman:** Honourable Premier.

**The Premier, Hon. André M. Ebanks:** Thank you; through you, Mr. Chair, and thank the Member for the question. The Radio Cayman bunker has been completed by the Public Works Department (PWD) and it actually came in under than estimated.

**The Chairman:** If there are no further questions on this item...

All those in favour of supplementary expenditure with respect to EI 36 - Cabinet Office for the amount of \$200,000 being approved and standing part of the Schedule, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: EI 36 passed.**

### **EGA 5 – Primary Education Services**



**The Chairman:** Honourable members, let us now look at the next item on the committee's agenda Schedule. That is EGA 5 - Primary Education Services, for the amount of \$2,500,000. Are there any questions on this item?

*[Pause]*

**The Chairman:** If there are no questions on this item—

**Hon. Juliana Y. O'Connor-Connolly:** Aye, Mr. Chair.

**The Chairman:** All those in favour of supplementary expenditure with respect to EGA 5 - Primary Education Services, for the amount of \$2,500,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes The Ayes have it. The item stands part of the Schedule.

**Agreed: EGA 5 passed.**

#### **EGA 6 – Secondary Education Services**

**The Chairman:** Moving on, honourable members: EGA 6 - Secondary Education Services for the amount of \$7,200,000. Are there any questions on this agenda item?

**Hon. Juliana Y. O'Connor-Connolly:** Just a fairly straightforward one, Mr. Chair.

The ask is for \$7.2 million additional and as you know, once it's for education, I support it regardless of who and where and when the criticism comes from, but there would be a variance of \$2.2 million based on what was brought forward by section 9(5) being \$5 million. Perhaps if we could get some indication of the reasons for the appropriation as to this \$2.2 million variance — what will it be used for the last three months of the year? Thank you.

**The Chairman:** Certainly, and members of the Committee, given my dual role, I would presume that members would approve of the Chief Officer just giving that very quick answer. Thank you, members of the Committee, for your indulgence.

**Ms. Cetonya Cacho, Chief Officer, Ministry of Education and Training:** Good morning, Cetonya Cacho, Chief Officer in the Ministry of Education and Training.

Mr. Chair, through you, it is for underfunded depreciation in 2025.

**The Chairman:** Thank you.

Thank you very much, Chief Officer; and as members would know there were a number of assets

that were brought on board in the latter 2024 and 2025 that would have caused the additional depreciation. Any other questions?

**Hon. Juliana Y. O'Connor-Connolly:** A follow up, if you would permit, Mr. Chair.

Members in Finance Committee will probably have a chuckle as they know my pet peeve was the topic of depreciation until I got Minister of Finance, then I had to defend it; but just to ask—and it might have been said but I was in discourse so I didn't hear—how much of this is to fund depreciation? Also, if you don't have the answer for the next [and] final question, I'd be grateful to get it in writing.

If we could get an indication before we go to budget, the total amount of depreciation that's reflected in the budget, whether it reflects cash or it's just a paper transfer, and if that's the case, when can we expect an amendment to the Public Finance Law to reflect the realities of what happens in practise.

Thank you.

**The Chairman:** Thank you very much.

The total amount that covers depreciation, I'd be happy to provide it in writing. You used the [phrase] "paper transaction". I would much rather use — they are journal entries and accounting transactions; and yes, those are accounting transactions that are required under our international public sector accounting standards. Indeed, they would be required under any modern accounting standards, but just to elucidate the point the Member has made for the listening public:

Depreciation is simply charging against the profit and loss (P and L) statement an allocable portion of amounts expended on assets. For example, if you build something for \$100 million and the building is estimated to last 50 years, every two years after you commission the building, \$2 million hits the P and L as a depreciation charge. It is not actually cash; you spent the cash when you built the building. We are now just reflecting the charge of depreciation whilst the asset stays on the balance sheet.

Are there no other questions?

**Hon. Juliana Y. O'Connor-Connolly:** Yes, Mr. Chairman, I didn't have it until you gave me that answer.

Knowing the trusted person that you are, could I get an undertaking from you, Mr. Chair, to look at the various depreciations within the different votes first of all to confirm and convey that there are no bank accounts with depreciation amounts in them that have been accessed or are laying. I say that out of great respect and interest for what you just said, to ensure that when you check, you won't find any surprises.

**The Chairman:** I give that undertaking.

Deputy Leader of the Opposition.

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

I have a question relating to children applying to school right now, which I think should definitely be allowed under the description of this allocation.

**The Chairman:** Applying to school... As in compulsory education?

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Yes.

**The Chairman:** Okay.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** I have a Caymanian who applied for her child to be accepted to school. She's a registered voter on the voters list, participated in the last democratic process and she chose wisely by returning a good person to the George Town Central seat — I want to say thank you to her by the way. She recently tried to put her child in school and because she does not have the, what is it— an acknowledgement letter? Her child was not accepted. She was told her child would not be in school, and as such, the child is now at home. She can't go to work because she has to watch the child and the child is not in school; not learning anything.

I ask, as Minister for this area: Would it be acceptable for the Ministry to accept the elections office list as a confirmation of a person being Caymanian because a person can vote in an election but their child can't go to school. I think the Government should possibly take a position because we know it goes a bit further than that whereby employers are no longer willing to take the risk of being exposed to violations of the immigration law; so, naturally, whether they want to use it as an excuse not to hire a Caymanian or are genuinely just afraid of being in violation of the immigration law forces any Caymanian to go and apply for the acknowledgement letter if they don't have it already.

It could be seen as a way to encourage persons to get registered to vote because the person in charge of immigration is the same Chief Officer who is in charge of the elections process. We all know that the elections process for determining a person's right to vote is very, very stringent and detailed, so why can it not just be a policy of the government, announced nationally, to say anyone who has a concern or a worry or a risk that a person is Caymanian, can accept the Elections Office list as a way of verification that the person is Caymanian and therefore not allow a child now [to be] sitting at home with no education from our own [Education] department.

Now, I can understand if it was a father out of wedlock; there are DNA responsibilities, but the child of a mother... There isn't any question whether the child belongs to the person or not. A simple birth certificate would suffice. Minister?

**The Chairman:** Member, that raises an issue that as you alluded to, cuts across employment and many, many, other facets of Caymanian lives.

What I can give is an undertaking that the Government is looking very closely at how we can streamline this process to ensure this vexing issue is handled much more expeditiously for Caymanians because it goes way beyond what you're talking about. The same request is made when people are applying for scholarships and otherwise and, as you quite rightly said, when it comes to a mother the issue is very, very different because when it comes to a father out of wedlock a DNA test would obviously be required.

I give the undertaking that we will look very closely at this and also be much more sensitive around the issue of getting our children into schools. If you would be so kind, could you give me the name of the child at the next break, so we can ensure that we get this child into school because we don't want children at home when they should be in school; I agree with you 110 per cent on that. You reached out to me on another case as well and we got it resolved, so it seems this is an area that we need to really, really hone in and get further work done to ensure we're really meeting the needs of our children. I can give you the undertaking that we will.

I will then consult and see if there are other ways in which we can do this legally and ensure we don't get ourselves into any issues. I'm sure you would appreciate the last thing we want is to do something, and at the next Finance Committee you come and report to me that we've let someone in school who shouldn't be in school. We know this goes both ways, so we will do everything we can to alleviate the stress and distress that you've reported to the committee.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chairman. I appreciate that commitment in particular, with the incident I'm talking about now. I'm hoping that we can get that resolved and tell that lovely parent that her child can go to school.

Interestingly enough, I try not to always call on the Minister because I know he's very busy trying to get the country's money together. [Instead,] I tried to talk to someone at the head of the department explaining exactly what I just explained to this committee without any return phone call whatsoever about the matter because it should be very easy to verify — particularly when a person is a registered voter. All I'm asking for, outside of the other employment things, that the Education Department's internal policy can change. You can do that as Minister yourself to say a way to verify is if a child's parents, particularly mothers, are on the voters' list, it should be sufficient and no other requests necessary.

Now, I know we're trying to transition everyone into getting this acknowledgement letter, but for some people there is a level of sensitivity to be told that you

need to go regularise, acknowledge yourself. You know, it's a very sensitive area for many Caymanians. At the very least, we shouldn't be preventing our children — but I'll take your commitment on that and we'll talk off air.

**The Chairman:** Thank you, member, because, not to belabour the point, I'm sure you know we have so many complex variables including when a child is born — was the parent Caymanian at the date of the child's birth... there are so many complexities to this given our construct, and that's why I don't want to say that there would be a blanket policy; but certainly it could be another tool we use to speed up the process up and get children into school, so I give that commitment and undertaking. Are there any further questions?

All those in favour of supplementary expenditure with respect to EGA 6 - Secondary Education Services for the amount of \$7,200,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it. The item stands part of the Schedule.

**Agreed: EGA 6 passed.**

#### **EGA 7 – Education Services for Students with Special Needs**

**The Chairman:** We move on to EGA 7 - Education Services for Students with Special Needs for the amount of \$120,000. Are there any questions on this item?

As there are no questions on this item, all those in favour of supplementary expenditure with respect to EGA 7 - Education Services for Students with Special Needs for an amount of \$120,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it. The item stands part of the Schedule.

**Agreed: EGA 7 passed.**

#### **EGA 8 – Facilities Maintenance and Operational School Support Services**

**The Chairman:** Honourable members, the next item is EGA 8 - Facilities Maintenance and Operational School Support Services for an amount of \$2,500,000. Are there any questions on this item?

The Member for Bodden Town West.

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

Mr. Chairman, I notice the explanation given for this Appropriation request reads, **“To address rising expenses tied to essential services, including transportation, janitorial, and security, required to accommodate increasing student numbers...”**

I guess to you, Mr. Chairman: I am curious. In light of the government's recent changes to the minimum wage amount, and recognising that some of these contracts for janitorial and security are normally for multiple years and those contracts, bids, et cetera, would have been done using the old rate of \$6 per hour. Is there any projection, any analysis done to say whether come January, once the rate goes up, will there be an issue with some of the janitorial and security companies who bid on these contracts in terms of what the impact would be in terms of government; because I suspect some of them are going to come back and basically ask for more money because many of them are actually paying their staff by minimum wage.

**The Chairman:** Member, you're quite right that it is a *possibility*. The Ministry's approach has been that anyone who has made any such requests has to prove that they were paying at minimum wage.

I'm happy to report that a number of vendors were not paying their staff at minimum wage and therefore increasing minimum wage has not impacted them because they were already at or above those levels in terms of their staff compensation; but any entity that has come forward, we have simply said they have to prove that's the rate they were paying those staff members. Then, as you said, we would have to have a look at it and ensure we're being fair to the company.

**Mr. Christopher S. Saunders:** Alright. Thanks much.

**The Chairman:** Deputy Leader of the Opposition.

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

In the reason for the Appropriation, the latter part of the sentence reads **“To accommodate increasing student numbers.”**. Can you say what percentage of students go to the government schools that are non-Caymanian?

**The Chairman:** Sixteen (16) per cent.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chairman. Would you have access to say what that 16 per cent represents by way of numbers?

**The Chairman:** Let me get the exact number.

[Pause]

**Ms. Cetonya Cacho, Chief Officer, Ministry of Education and Training:** Mr. Chair.

**The Chairman:** Chief Officer Cacho.

**Ms. Cetonya Cacho, Chief Officer, Ministry of Education and Training:** Mr. Chair, through you. The number is 123 of the new enrolment.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chairman, for Ms. Cacho's—

**The Chairman:** You're looking for the total?

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** The total, not for the new enrolment.

**The Chairman:** Chief Officer, the Member is looking for the total number of non-Caymanians across the system.

**Ms. Cetonya Cacho, Chief Officer, Ministry of Education and Training:** Mr. Chair, through you. Can we provide that information in writing shortly?

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** I think it's important that the public hears it as well, so if it can be provided later on and the Minister, who will be chairing this whole meeting, can provide the information I'd be happy to accept it; but while we wait on that exact figure, can I confirm that there are... How many did she say?

**Ms. Cetonya Cacho, Chief Officer, Ministry of Education and Training:** 123.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** There are another 123 persons added to our school system who are non-Caymanian.

Minister, can you say under what provisions would they be allowed to go to school? I know that we have— and I'm not being facetious here. I know we have some allocations for civil servants who are non-Caymanian and their children, which highlights the need for the policy before about when we hire civil servants who are non-Caymanian, the added cost that comes with it because to house, light, educate 123 children, may seem like a small number, but when we get the bigger figure and see how much that 16 per cent is of all the schools across Cayman Islands, then the numbers start to get a little bigger.

I'm just trying to find out: Of the numbers that we have, the two that seem to be acceptable in the community thus far are civil servants who provide

services and, obviously, Caymanian children. Are there any other categories outside those two?

**The Chairman:** This item has been one which all members know has been talked about for a long, long time in these Chambers.

The first category of priority is teachers and the children of teachers. The next category of priority would be those civil servants, in particular, who had a contractual commitment, and I'm sure members will know and recall that in the past there were certain departments and even SAGCs who wrote in their contracts a commitment that persons who were coming from overseas would get a place in government schools.

One of the things that has happened in the last few months is we've tried to ensure that going forward no commitments are made to persons who are being hired into the civil service such as a guarantee of a spot for their child in a public school because as we know, when in public school, they get access to all the services that all children receive at present — free lunches, one to one laptop or Ipad/device policies, transportation, et cetera, but I do give an undertaking to get the precise net new number of non-Caymanians who are in the system.

Let me also say to the Member that as we speak, we are undertaking a piece of work in the department because I requested information about the breakdown, so let me pre-empt your question: If you're going to ask for a breakdown, I, as Minister, am awaiting the actual breakdown of non-Caymanians between children of teachers, children of core government workers, children of SAGCs, and then others.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chairman, and I accept your commitment to provide that to all the members of the Opposition.

I think you just announced a policy decision — did I hear that correctly about the policy, and [I don't know] if you're going to make an official statement on this or not, but what I heard was that moving forward, there will be no guarantees to civil servants or teachers of a guaranteed spot in the school by way of their contract. Is that a policy decision within your Ministry?

**The Chairman:** It's not a policy position. What had been happening for a long time is there were agencies that created their own policy and simply wrote it into contracts and the education system didn't even know this was happening.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, sir and I look forward to hearing the overall number before the end of finance committee. Thank you.

Mr. Chairman, sorry; I had another question in respect of school services. The Ministry would be aware that last year I met with some of the staff about George Town Primary. I am very happy that the good Lord has blessed us this year [*knocks on wood*] so far with no hurricanes or major storms so we have not had much flooding, but George Town primary has been dealing with major flooding for quite some time and I was given a commitment by the Ministry, after meeting with the technical team and the Principal and Facilities and so forth, about having a drainage strategy implemented.

Can the Minister or anyone within the Ministry say whether those ageing facilities have been addressed for the flooding component?

**The Chairman:** Ms. Cacho?

**Ms. Cetonya Cacho, Chief Officer, Ministry of Education and Training:** Mr. Chair, through you.

I have been informed that work is underway. They've scoped it out and it's due to be completed before the end of October.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you very much, Mr. Chairman, and your staff should be commended for the prompt work. I look forward to it; don't worry, I'll be there between now and 31<sup>st</sup> October to see.

Last question, Mr. Chairman, the Honourable Minister [with responsibility] for roads has been ever so efficient since retaking his post and has been very helpful to discuss a number of road infrastructure in George Town, but there's one that I know he's working very hard to resolve, which is the road between Eastern Avenue and South Church Street, which he's trying to get rectified. As a result of the gazettal for the road, the land on the back end of the school will eventually become Crown [land] because the government will compulsorily acquire it. I know that the Minister is doing his very best to relocate those persons who own the land or will eventually be moved from there.

My question is: The lands that will be acquired by the said Minister will be more than necessary for the road —

**Hon. Johany S. Ebanks, Minister of Planning, Lands, Agriculture, Housing and Infrastructure, Elected Member for North Side:** Mr. Chair, sorry. Can I stop the Member for a minute and ask that he poses his question when the time comes with land claims and when we talk about the road money?

**The Chairman:** Certainly, since we have two items that are relevant, member, I'm sure you will. I understood where you were heading because you were relevant and felt like the time would be right, but let's ask the Minister when the time comes.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Fair enough, Mr. Chair. The only reason I bring it up now is because the technical team is here to advise whether or not the excess land that may be acquired would be beneficial to the school itself; not because I'm trying to avoid the actual Minister — obviously, you can speak on behalf of your Ministry. If you don't need the technical team here to talk about it, I will ask at the appropriate time.

**The Chairman:** All those in favour of supplementary expenditure with respect to EGA—

**Mr. A. Roy Tatum, Elected Member for Red Bay:** Mr. Chairman.

Sorry, I have been trying to catch your eye for a while, before you go on.

**The Chairman:** Apologies.

**Mr. A. Roy Tatum:** That's fine. Given the note here with regard to accommodating increasing student numbers, could you give me some understanding as to exactly what the government is doing at the moment in terms of forecasting future needs and planning for accommodation? Some time back there was news with regard to spaces being limited and the like, so if I could have some understanding as to what's happening in that regard, I'd be grateful.

**The Chairman:** Thank you very much, Member.

Member, this is one of the key risks not just to the Ministry but the country as a whole. As we know, we have a very transient population and every day there is potentially a new Caymanian being added to our list of persons holding Caymanian Status. Along with that oftentimes come children, so the Member will quickly realise from that category alone, the difficulty we have with a normal country which doesn't have the type of percentage of non-nationals living within the country. We are doing our best to try to project what the potential impact could look like [over] the next decade, given the new immigration regime that is going to be put in place.

In addition — the big unknown variable in all of this — is Caymanians marrying non-Caymanians and bringing the dependent children of those persons to the Cayman Islands. I would dare say there is not a member of this Committee who doesn't have a situation like that in their own families. Again, projecting out numbers in schools becomes extremely difficult when, for example, a Caymanian man marries a non-Caymanian woman. The non-Caymanian spouse has two or three dependent children whom the Caymanian man then takes responsibility for, brings them to the Cayman Islands, and then they are in our midst.

Subsequently, how we go about projecting is very unscientific. Let's be very, very frank about it. We don't need to try to cover it up and sugar-coat this; there

is no real scientific way like in normal countries that simply have birth rates and death rates — then you can project out.

Our immigration impact is tremendous on the school system. I can say to the member that this year, of the number of requests that the Ministry and the Department got in regard to non-Caymanian children being allowed into government schools, a significant proportion were actually dependents of a Caymanian who married a non-Caymanian. Going forward, what will complicate that even more is that more and more people are formally adopting non-Caymanian stepchildren; of course, once adopted, that child becomes a Caymanian child.

I hope that paints a picture, member, as it relates to the complexities around this but we are trying to do a piece of work to see if we can actually come up with some projections.

**Mr. A. Roy Tatum Jr.:** Mr. Chairman, I appreciate that response. I certainly understand the complexity. Well, I mean, I don't understand it as well as you, but I have a very good idea of the complexity; hence, the reason for the question.

If I'm understanding you, there is work ongoing that is looking at future needs in terms of education — the number of students and the facilities and teachers we will need to have for them. There's work ongoing in that regard.

**The Chairman:** Yes. When we deal with birth and death rates, birth rates, rather, in this instance, it is much easier to project out but yes, we are looking at the best [way] we can to see what that will look like.

Given the number of requests that I was, to be quite blunt, *bombarded with* not just got — and I'm sure the Member for Cayman Brac East would have lived this now for the last eight years — it is a massive commitment that we have to make going forward, as it relates to the number of children who will potentially be Caymanian. Children who are born, but as we speak right now are not Caymanian.

What's even more complicated is how this impacts individual catchment areas because, obviously, these families can live in any area of Cayman. I was about to say West Bay but, you know, any area of Cayman. It could be in Red Bay for Red Bay Primary, could be Prospect Primary, and that complicates the matter even more. In those instances, what the Department tries to do is ensure that any of those children who are entitled to a placement are placed in a school that can accommodate them best and sometimes, unfortunately, that's out of their catchment area.

**Mr. A. Roy Tatum:** Thank you for that answer.

I'll wait to see what comes forth with the SPS (Strategic Policy Statement) and after that, the budget.

Before I close, I just want to say it's very good to see Ms. Cacho and the team here.

Mr. Chairman, with that, I will close. Thank you.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Mr. Chairman, I was hoping to access the internet to follow up on a question that I'm about to ask, but I can't get access to it, which is making the process of going fully electronic difficult.

My question has to do with projections because you are the Minister of Finance and I don't think there's another line item on which you would opine. I should have asked it in the earlier part of your opening statement. I don't know if you want me to ask you it now. Sadly, it is under education, but I want to ensure the line of question I am going to ask, which has to do with all the Appropriations, is done when you are addressing. I don't know if you want to give me guidance on that because, technically, it could be asked anywhere it has to do with the Appropriation itself.

**The Chairman:** I would suspect we should leave it toward the end.

All those in favour of supplementary expenditure with respect to EGA 8 - Facilities Maintenance and Operational School Support Services for an amount of \$2,500,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: EGA 8 passed.**

#### **TP 30 – Local, Overseas Scholarships and Bursaries**

**The Chairman:** The next item is TP 30 - Local, Overseas Scholarships and Bursaries for an amount of \$5,850,000. Are there any questions on this item?

Member for Bodden Town West.

**Mr. Christopher S. Saunders:** Mr. Chairman, just an observation to all members. I'm looking at an amount of \$34.5 million. Since I've been elected, I think that's actually a record for the amount of money we have been investing in our children's future in terms of education. I want to personally thank you and the former Minister [and Member] for Cayman Brac East on record for this investment in our children.

Also for the record, Mr. Chairman, I want to thank you and the Member for Cayman Brac East for exercising your discretion as Ministers because I had a couple of my constituents who did not meet the minimum requirement and they basically had to apply to you and the Member for Cayman Brac East for the exercise of the Minister's discretion to go off to school.



Some of those families could not have afforded it, so I want to publicly thank you on their behalf.

While I'm here, Mr. Chairman, I also want to thank Mr. Bryan and Jerome from your team and also Mark Ray from your Ministry. I've dealt with them individually, and they have always been professional. I also want to go on record to say that Mark Ray, while I wasn't too keen on his appointment at first, his performance has exceeded my expectations — where is he? Well, I just want to go on record to thank him publicly for the quick response and professionalism he has always displayed whenever I reach out to him on behalf of my constituents.

I have a child who is on a government scholarship, so I consider it a conflict to ask any questions. I just wanted to make that observation.

Thank you, Mr. Minister.

**The Chairman:** Thank you.

The Member for Red Bay.

**Mr. A. Roy Tatum:** Mr. Chair, I will make this quick. I want to agree with what the member just said. In my short time here, I've had to reach out to a few people in education and I commend them. I really appreciate the assistance, including the individuals who were just mentioned. Thank you.

**The Chairman:** Thank you.

If there are no further questions, all those in favour of supplementary expenditure with respect to TP30 – Local, Overseas Scholarships and Bursaries for an amount of \$5,850,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: TP 30 passed.**

**The Chairman:** The next item requires a Motion, and I apologise to members for the amount listed. This is where you should have received a committee-stage motion...

Oh, my apologies. My apologies, my apologies. Whilst this is distributed, I apologise to members. The amount in the Schedule should actually read \$1,522,620. My apologies, members. I told a number of you about this orally. This is the Motion that would give effect now, so I call on the Premier to move the Motion to increase the amount on the Schedule.

Honourable Premier.

**Amendment to Schedule for  
TP 82 - Scholarships – Special  
Educational Needs**

**The Premier, Hon. André M. Ebanks:** Thank you, Mr. Chair.

In accordance with the provisions of Standing Order 84(1), I, the Honourable Premier, do hereby give notice to move the following Amendment to the Schedule with respect to Appropriation to the Minister for Education and Training, TP 82 - Scholarships – Special Educational Needs to be increased by an amount of \$1,075,000 so that the resulting total Supplementary requested is \$1,522,620.

**The Chairman:** Thank you. The Motion has been moved. I would ask if any Member has any questions on TP 82 - Scholarships – Special Educational Needs for an amount of \$1,522,620.

Member for Bodden Town West.

**Mr. Christopher S. Saunders:** Thank you, Mr. Chairman. Well, I guess to you also, again.

Something that keeps popping up each year in this programme is what happens to the children when they basically age out; in terms of what happens to them at that point. I know we have some organisations on island that try their best to find placements for them and so forth; but has there been any change or an update in terms of policy or any initiatives, especially to deal with special-needs adult children.

**The Chairman:** Member, with regard to how we transition persons who go from the Lighthouse School, which is compulsory, which is what we're dealing with, your question is more on the Sunrise Adult Training Centre.

**Mr. Christopher S. Saunders:** I also think Inclusion Cayman has done good work in that regard.

**The Chairman:** Absolutely.

Yes, there are a number of ongoing efforts in this regard and in fact, the member will be very pleased to know that coming up in the SPS we will be talking about additional provisioning to try and assist the Sunrise Adult Training Centre more; however, at this stage, I don't have a specific answer for that question.

That is a focus group the Minister responsible for Caymanian employment and I are really honing in on because you're quite right — we basically have left that population underrepresented in the employment market, I think is the best way to put it and not put enough levers in place [for] the good employers such as Hurley's and the Dart Group at the Cinema who systematically bring and incorporate persons with special needs on board. It is not carried out more generally in the economy and it is certainly an area we are looking at very carefully and closely to ensure that we put incentives in place for companies that actually do that.

**Mr. Christopher S. Saunders:** Thank you very much, Mr. Minister. I'm very happy to hear that.

Just a note to consider, I guess as you're preparing the SPS, because I actually have some constituents whose parents are now quite elderly. They have been looking after the children and now they're worried, you know, about what's going to happen to the children after they have passed. I know many people are basically worried about that, so it would be good.

I'm happy to hear that you all are looking into it, but it is also something to look at in terms of after something happens to the parents what happens to the child during that time and even updating some legislation, whether it be a Power of Attorney, et cetera to allow for other guardians or whatever to be able to take care of the child. That's just something to consider, but I'm very happy to hear that you all are at least thinking about it. I appreciate that.

**The Chairman:** Thank you very much.

**Hon. Juliana Y. O'Connor-Connolly:** Mr. Chair.

**The Chairman:** Member for Cayman Brac East.

**Hon. Juliana Y. O'Connor-Connolly:** Just by way of clarity with this addition, which I absolutely concur with.

Would that be additional to the \$107 million we were asking [for], which was the figure given originally, or did that \$107 already include this extra million-plus. Thank you.

**The Chairman:** Good question. This would take it to \$108 million, so this would be an additional million added.

Since there are no further questions, all those in favour of supplementary expenditure with respect to TP 82 - Scholarships – Special Educational Needs for the amount of \$1,522,620 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: TP 82 passed.**

### **FSC 20 – Framework for the Functioning of the Financial Services Industry**

**The Chairman:** Honourable members, we now turn our attention to FSC 20 - Framework for the Functioning of the Financial Services Industry for an amount of \$751,500. Are there any questions?

Before I take any questions on this area, I want to thank Chief Officer Cacho and the team from the Ministry of Education and the Department of Education Services for assisting the Committee today.

Are there any questions on FSC 20, \$751,500?

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

**The Chairman:** Deputy Leader of the Opposition.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chairman, I'm not too heavy on the Minister's work in financial services, but I was hoping to get an understanding of a recent Cabinet approval for exemption for [the Cayman Islands] Monetary Authority (CIMA). I wonder if the Minister could opine on the exemptions from work permits for that entity. When Caymanians apply, they're competing with people who don't even have to get work permits.

I don't know if the Minister would opine on that as it is an article that is circulating and causing much unrest among the public.

**The Chairman:** For clarity: This ministerial responsibility falls to the Premier, so I call on the Honourable Premier to answer whether or not CIMA has been granted an exemption from work permits in future legislation. I think that's where the question is going.

**The Premier, Hon. André M. Ebanks:** Thank you, Mr. Chair, through you. Happy to answer the question, but CIMA has its own Appropriation that features in the Schedule, namely MOA 12, so just to keep the line straight, can we take it under that?

**The Chairman:** Since there are no further questions, all those in favour of supplementary expenditure with respect to FSC 20 - Framework for the Functioning of the Financial Services Industry for an amount of \$751,500 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: FSC 20 passed.**

### **FSC 22 – Registers of Corporate, Intellectual Property and Vital Information**

**The Chairman:** Members, we turn our attention to FSC 22 - Registers of Corporate, Intellectual Property and Vital Information for an amount of \$964,000. Are there any questions on this item?

Member for Bodden Town West.

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

Through you to the Honourable Premier. Well, everyone knows where I stand in this whole beneficial ownership issue, but I noticed that taxpolicy.org did an analysis back in March 2025 on inadequate reporting



of beneficial ownership of UK entities. They listed roughly 50,000 UK companies that basically did not comply with their own beneficial ownership registration.

Now, when I think about 50,000 and recognise that 10 per cent is 5,000 and 1 per cent is 500; and recognise from that same report, that 216, which is less than 0.5 per cent of the 50,000 UK companies were actually located in Cayman; and that the bulk of the culprits of that 50,000 that did not show the beneficial ownership were actually in the United States and other parts of Europe, which everyone already knows what the US position is on beneficial ownership and everyone already knows how the European courts have already ruled in regard to beneficial ownership...

Recognising that only 216 of 50,000 are actually in the Cayman Islands — and again the article did say it doesn't mean they're being illegal. It only said they did not disclose who their beneficial owners were. I am curious in terms of the haste or post-haste in which we're pushing beneficial ownership in Cayman, whether we are at least recognising that we are ahead of the curve in that regard, as the Premier said already, and that Cayman is not the place where this activity is actually taking place.

With that said, the question is: How much further are we looking to go now with beneficial ownership in light of these stats?

**The Chairman:** Honourable Premier.

**The Premier, Hon. André M. Ebanks:** Through you, Mr. Chair. Excellent question. Thank you, Member.

As some of you may have seen in the press, the Minister responsible for the overseas territories visited Cayman for the first time this week and we set out very clearly to him our position as it relates to beneficial ownership. We are aware that there are emerging global standards, particularly in the EU, where they're moving towards a legitimate interest. We have had constitutional advice which has been brought up in the past, whereby that is the closest that we can come within our constitutional framework and are not able to go any further.

There are small system changes in terms of technologies and fees that we will bring later, but we very clearly set out to the Minister that our position is that, as you say, we are ahead of the curve in many respects, particularly this one; but we still have to respect that we have a Constitution, people have the right to privacy and data protection so as we continue to see the emerging trend of legitimate interest, we have decided to define it in our own right to fit within our constitutional obligations and framework.

**Mr. Christopher S. Saunders:** Thank you, Honourable Premier.

**The Chairman:** Honourable Leader of the Opposition.

**Hon. Joseph X. Hew, Leader of the Opposition:** Mr. Chairman, through you.

Just to ask the honourable member whether he could walk us through this, as we see there was an original Appropriation of just over \$7 million and then a section 11(5) reduction of \$300,000 in August. Is that correct? Now a section 12 for \$964,000. In going through this, Mr. Chairman, if I could ask the Member if perhaps he could opine a bit on what the increases are for; whether there have been changes and provide some elucidation on the \$300,000.

**The Chairman:** Honourable Premier.

**The Premier, Hon. André M. Ebanks:** Thank you, Mr. Chair through you.

To give the comprehensive overview: In 2024, as we anticipated enhancing the registry services, we had approval for, I think, for four to five new posts, so we always knew that when it hit in 2025 we would need to have a corresponding amount to continue to fund those posts in 2025. As a result, we have completed a greater enforcement and compliance team within the registry; and, in addition to that, created Assistant General Registry posts.

**The Chairman:** Honourable Leader of the Opposition.

**Hon. Joseph X. Hew, Leader of the Opposition:** I thank the Member for that response — and the \$300,000 from the 11(5) in August of 2025?

**The Chairman:** Honourable Premier.

**The Premier, Hon. André M. Ebanks:** Through you. Thank the Member for the question.

That amount, and the Appropriation that was voted on that had reductions: There was a need by the Commissioner of Police to fund additional posts so by virtue of 11(5), because we deemed those urgent, we shifted money (both Ministries fall under me), found those identified savings from financial services. It didn't come from staff; it came from overseas official travel that we did not think would be spent before the end of the year in relation to professional fees that we didn't think would be spent before the end of the year in order to assist the Commissioner of Police.

**The Chairman:** Honourable Leader of the Opposition.

**Hon. Joseph X. Hew, Leader of the Opposition:** Through you, Mr. Chairman. I thank the member for that.

Mr. Chairman, I beg your indulgence. Perhaps the Honourable Premier may wish to take this opportunity, since he brought it up, to talk about funding for the police because we certainly anticipated seeing something in this Finance Committee meeting based

on what we are hearing from the police that their levels of staffing are way below where there should be.

We are all aware, I'm sure, that we have lost our community beat officers; certainly most of us, if not all of us on this side have lost our community beat officers who have been recruited back into the front line. I don't know, give the member an opportunity, if he wishes to, to opine on that a bit.

**The Chairman:** Honourable Premier.

**The Premier, Hon. André M. Ebanks:** Through you, Mr. Chair, the Office of the Commissioner of Police does feature in the Schedule. We can take those questions then.

*[Inaudible interjection]*

**The Chairman:** OCP 4. There is an item for OCP 4. Oh, it's towards the end, members... Page 24. OCP stands for Office of the Commissioner of Police. The Coast Guard's budget falls under the police, so...

*[Inaudible interjection]*

**The Chairman:** Yes.  
If there are no further questions—

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Mr. Chairman... I'll ask on the next line item.

**The Chairman:** There are no further questions.  
All those in favour of supplementary expenditure with respect to FSC 22 - Registers of Corporate, Intellectual Property and Vital Information for an amount of \$964,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: FSC 22 passed.**

#### **FSC 23 – International Cooperation in Tax Matters**

**The Chairman:** Colleagues, the next item is FSC 23 - International Cooperation in Tax Matters for an amount of \$319,000. Are there any questions on this item?  
Member for Bodden Town West.

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

Mr. Chairman through you, to the Honourable Premier: Of these positions that are being recruited how many of them do we expect to be Caymanian, and where will they be based? Thank you.

**The Chairman:** Honourable Premier.

**The Premier, Hon. André M. Ebanks:** Thank you, Member for the question. Through you, Mr. Chair.

They will be based in the Cayman Islands and we strive as much as possible to hire all Caymanians but we do recognise there are overseas expertise because this relates to international tax cooperation, so we do from time to time have to incorporate overseas talent.

**The Chairman:** Deputy Leader of the Opposition.

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

Can the Minister say whether the Ministry of Financial Services has been exempted from the recent memo for hiring freeze or am I missing something?

**The Chairman:** Before the Premier answers that, just so that we're clear: There wasn't a hiring freeze. There was a soft freeze whereas we said any necessary and critical posts had to be advocated for; not that there was an absolute, hard freeze. Just so that is clear.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** I think that answers my question. Thank you.

**The Chairman:** All those in favour of supplementary expenditure with respect to FSC 23 - International Cooperation in Tax Matters for an amount of \$319,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: FSC 23 passed.**

#### **FSC 36 – Trade and Commerce Licensing and Supervision**

**The Chairman:** FSC 36 - Trade and Commerce Licensing and Supervision for an amount of \$766,500. Are there any questions on this item?

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

**The Chairman:** Deputy Leader of the Opposition.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** This question is for clarity on something that has been bothering me for a while as I look at the organisational chart whereby the Honourable Deputy Premier is the Minister of Tourism and Trade Development and this line item has to do with trade and commerce licensing supervision.

I've been trying to find entities that fall under his remit that deal with trade development. Then I see this and naturally I think *wouldn't trade and commerce licensing come under the Minister for Trade Development* considering the fact that there's not much I see under his remit that deals with trade and development. Maybe the thinking behind the allocation or the structure could be opined, right, because I thought this would naturally fall under the Minister of Trade Development.

**The Chairman:** Before the Premier speaks, just to say that the trade you are referring to that falls under the Deputy Premier has to do with international trade and developing international trade and international trade relations and routes and that sort of thing.

Honourable Premier.

**The Premier, Hon. André M. Ebanks:** Through you, Mr. Chair, you have answered the question. This relates to the Department of Commerce in terms of local trade, with local vendors, and their compliance therewith.

**The Chairman:** Deputy Leader of the Opposition.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you Mr. Chair, and thank the Premier for answering that.

Then maybe the post should be tourism and international trade development because the question has come to me by various people to say, well, if he's responsible for trade, what trade stuff, when the organisation chart doesn't show any areas of responsibility to deal with trade — or international trade for that fact, but I'll leave it there.

**Mr. Christopher S. Saunders:** Sorry, just for my clarification. The vote that we are doing is still based on the 2025 structure, because FSC 36 that we're looking at would still be based on the current structure until the new budget is approved — or am I missing something? Like in this situation. If we look at the original FSC 36, we are still in the 2025 financial year.

I think only when we move to the 2026 financial year, with the new budget and new votes, will we see the change in the description and the codes.

**The Chairman:** We would see some change, but I wanted to clarify the whole question around trade because it might avoid future questions, but, Premier?

**The Premier, Hon. André M. Ebanks:** Through you, Mr. Chair. I think the Member for Bodden Town West has described it accurately.

**Mr. Christopher S. Saunders:** Budget time is a different story, now.

**The Chairman:** All those in favour of supplementary expenditure with respect to FSC 36 - Trade and Commerce Licensing and Supervision for an amount of \$766,500 being approved, please say Aye. Those against, No.

**The Chairman:** The Ayes have it.

**Agreed: FSC 36 passed.**

## MOA 12 – Regulation of the Financial Services Industry

**The Chairman:** Moving on to MOA 12, Regulation of the Financial Services Industry for an amount of \$1,150,000. Are there any questions on those items? *[Pause]* There are no questions on those items.

All those in favour of supplementary expenditure with respect to MOA 12 - Regulation for—

**Mr. Christopher S. Saunders:** Sorry, Mr. Chairman, we were distracted.

**The Chairman:** My apologies, member for Bodden Town West. I didn't see the light come on.

**Mr. Christopher S. Saunders:** That's fine. I would have done the same thing if I were sitting where you are.

Mr. Chairman, I am looking at the description of MOA 12, which lists all the legislation:

- The Bank and Trust Companies Act;
- The Companies Management Act;
- The Insurance Act;
- The Money Services Act;
- The Mutual Funds Act;
- The Private Funds Act;
- The Securities Investment Business Act;
- Development Banking Act;
- Business Societies Act;
- Cooperative Societies Act; and
- Virtual Asset (Service Providers) Act.

Mr. Chairman, page 13 of the Monetary Authority Act, under section 6 which deals with the principal functions of the Authority, subsection 3, in particular 3(a) and 3(c), speaks about consumer protection; but nowhere else in the Law actually deals with consumer protection, so [I am] curious.

Mr. Chairman through you to the Honourable Premier: Is there any intention to bring any form of consumer protection in regard to financial services, and I ask [against the backdrop] whereby both the US and UK governments have taken a very hard-line position on all the junk and different fees being charged by the banks which for some strange reason we are still allowing them to get away with here. Is there anything in the pipeline that the Law Reform Commission or

anyone else is looking at, in terms of consumer protection with regard to these banks ripping people off.

**The Chairman:** I'll call on the Premier to answer as to whether the banks are ripping people off.

[Laughter]

**The Premier, Hon. André M. Ebanks:** I don't know whether to thank you or not, Mr. Chair.

Through you, Mr. Chair, I do take the member's question; he is right in terms of the statutory framework of the Monetary Authority as under their Act, they are set up to do mainly prudential regulation in terms of consumer retail protection. If we are inclined to move in that direction, it would require an Amendment to the Act — and we've studied this issue. It would also require additional funding for staff to actually review that, so that is a direction that we can certainly take with legislative amendments and additional staff requirements. In the meantime, while those decisions are being taken, what they have done is to have consultation with the banks and have them adopt at least the UK code whereby fees can be increased or fluctuated from time to time.

Based on CIMA'S study, I think it is maybe one or two banks in particular that they're honing in on and asking them to conform with that code. As far as I know, in the meantime, the Bankers Association is moving towards adopting that code on a voluntary basis.

**Mr. Christopher S. Saunders:** Mr. Chairman through you, thank you very much for that, Honourable Premier.

Some members may recall that in the last session of Parliament, I gazetted a Consumer Protection Bill. One reason we never brought it to Parliament for debate was the feedback I received from the public and even others within the business community, whereby we can't talk about consumer protection without looking at the banks and insurance companies; and as the Premier rightfully said, that would require a separate piece of legislation.

The thing about it, Mr. Chairman, is that the last time we did this analysis for CIMA and looked at the actual return on equity for Class A banks, on average it was 26 per cent. At the time we did the analysis, the return for their shareholders from the top 100 banks in the US was 11 per cent. In Canada, the best bank did 14 per cent, and in the UK, the best bank did 18 per cent, yet we are averaging a 26 per cent return on banks' profit in Cayman.

I think that is utterly ridiculous when nowhere else in the world these banks which are global are making the same amount of profit and many of the fees the banks are charging are almost criminal. I think at some point now we have seen every country around the globe, even some of our colleagues in the Caribbean are now taking a hard-line position with these banks. This is something that we need to start

looking at now because the banks are literally just taking too much of people's hard-earned money.

I think it is time we start looking at these "junk fees", as they have come to be known in other countries, and start looking at our own consumer protection laws in regard to the banks and insurance companies; but that is something we can follow through more during the SPS time.

**The Chairman:** Thank you, member.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Mr. Chairman, I think it would be an opportunity now for the Premier to address the previous question I had with respect to the recent article about work permit exemptions.

**The Chairman:** Honourable Premier.

**The Premier, Hon. André M. Ebanks:** Through you, Mr. Chair. I thank the Member for the question.

This is a continuation of a programme that started last term where the Monetary Authority is gearing up to prepare for the examination of the fifth round of the FATF. The proposal here is from an entity that I think is about three quarters Caymanian, that always seeks to find Caymanians first. Given the time frame in which the evaluation is going to start, in the event they are unable to find a Caymanian for the compliance post, which is a specialised subject area, they need to be able to expedite the process so they can have people in post, that they can gear up properly for the evaluation.

**The Chairman:** Deputy Leader of the Opposition.

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

Before I ask my next question, I want to preface the fact that, obviously, financial services are our number one revenue provider in this country and the industry must be given every bit of latitude possible to be effective, particularly with the monitoring component from the Monetary Authority. However, what I am understanding the Minister to say is that because of the significance of the FATF process and monitoring we're allowing the regime of exemptions from work permits — which are in place for a particular reason, to ensure that Caymanians are given their rightful opportunity as well as revenue.

I do recall the conversations from the previous administration whereby it seemed there were conflicts with the work permit [board] not wanting to grant approvals to the Monetary Authority and there was conflict with the Monetary Authority saying, *listen, we can't accept what they're saying when they don't want to grant*; but are we circumventing the process for which the immigration system was created — to filter, check, and ensure that a Caymanian is not left out by

way of saying you don't need to follow the work permit process, because if we open this door and create that culture, what would stop any other Ministry or any other entity from saying, *Listen, this is vital. This is important.*

Granted, I accept that financial services and the monitoring of it are essential. It's a top money earner in the country, but do you see any risk in opening that door and having that as a justification alone, because I think there is a sentiment of being betrayed, *hold on, Monetary Authority gets an exemption.* That was the spirit of the article I referred to earlier, that has caused anxiety and concern in the community with the exemptions from the work permit process for the Monetary Authority, specifically.

**The Chairman:** Honourable Premier.

**The Premier, Hon. André M. Ebanks:** Thank you, Mr. Chair, through you. I appreciate the member's question because it is a question of finding the right balance and not making sure that you're opening a door that risks Caymanian jobs.

I think in this case the risk will be minimal because at the end of the day, the Monetary Authority is not a private organisation; it falls under the remit of the public service which has the overall policy to hire Caymanians first, and given the Monetary Authority's track record of hiring — as I said, I think they are about three-quarters Caymanian staffed... In addition to that, another thing that has come up along the way that I think we need to reconcile, that has been mentioned many times, is their [inability] to retain Caymanian staff moving up the ladder because of their being tied to the civil service's salary scale even though they're a profitable entity.

I think we do need to look at the Public Authorities Law to be able to allow them to hire up the scale, because what's happening is that, quite rightly, Caymanians are finding opportunities elsewhere in the private sector and leaving the Authority, so the Authority is now stuck between not being able to compete in the market with the private sector to retain Caymanians, while at the same time having to hit international assessments. I think the risk in this case of this circumstance is minimal given the Monetary Authority's track record and the overall policy of the public service to hire Caymanians first.

**The Chairman:** Member for Bodden Town West.

**Mr. Christopher S. Saunders:** Thank you very much, Mr. Chairman.

I'm actually glad to hear what the Premier said. For the record, I guess in a previous life, I can speak for the Managing Director for the Money Authority, Ms. Cindy Scotland, in that she's very pro-Caymanian in terms of getting Caymanians hired, so I'm not worried about that. What I am worried about, Mr. Chairman and through you, to the Honourable Premier, is with regard

to being able to retain Caymanians. Let's be honest about it.

The financial services industry pays very well in the Cayman Islands, and in order for us to attract and retain good Caymanian talent, we'll have to pay top dollar in some situations to compete with the law firms, accounting firms and so forth, and I am worried for the longevity of good Caymanian talent that we will keep losing them to the private sector. We have trained them and they have basically gone out with CIMA on their resume and become very marketable that we're losing them; and not only that — we are losing the knowledge they have which they are carrying to the private sector.

The question in all of that, through you Mr. Chairman to the Honourable Premier is: Can we now expect some changes to the Public Authorities Act, because it is not a one-size-fits-all. It is not working in some cases, and this is one example where it has become a detriment for us moving forward in regard to many things. That is really the question: Can we now expect some changes to it?

**The Chairman:** Premier?

**The Premier, Hon. André M. Ebanks:** Thank you, Mr. Chair. Through you and I thank the Member for the question.

It completely warms my heart to hear that there would be support across the aisle, because it is overdue that we have to look at that legislation and be able to put it in its modern context. For the Caymanians who may be listening, who left for the private sector, I don't want them to feel a way, because if you have an economic opportunity and you're going to be able to attract the greatest salary — some of them want to remain in public service to help the country but in this economic climate, if they're getting economic advancement we can't blame them for that.

The fix, like you said, is to give the Authority the ability to compete for those jobs, so that the Caymanian can pause and say, *wait a second, if I can see that there's economic opportunity up the ladder in the Authority, I will stay.* Right now, the Authority doesn't have that and it is facing an assessment. If Caymanians are being cycled through to the private sector, they're in a really tough position; therefore, we are coming up with this mechanism, but the preferred option would be for some modification to the Public Authorities Act, particularly for profitable entities that can provide Caymanians upscale employment.

**The Chairman:** Member for Red Bay, Mr. Tatum.

**Mr. A. Roy Tatum:** Thank you, Mr. Chairman.

Mr. Chairman, I was pondering this when we were discussing FSC 36 and I didn't ask, but the opportunity presented itself again to me. This says **“work to take place ahead of the 5<sup>th</sup> round mutual evaluation under the Financial Action Task Force**

**(FATF)**". I'd be grateful if I could understand what this work is exactly, because there are three months left in this financial year, and this is \$1,150,000. There was another \$766,000 in the previous item, so I'd be grateful to understand what this work is and how we are going to spend that \$1.2 million almost within the remainder of this year given the short time we have.

**The Chairman:** Honourable Premier.

**The Premier, Hon. André M. Ebanks:** Thank you, Mr. Chair, and I appreciate the question.

The work has several components. One is in relation to matters that we know the FATF is going to focus on in the 5<sup>th</sup> round because every round gets stricter. For example, in the case where you wanted to raise the question under DCI's Appropriation of FSC 36. The FATF now has in the 5<sup>th</sup> round of assessment, a whole new standard that didn't exist in the 4<sup>th</sup> round.

Previously, DCI was assessed [along] with the Monetary Authority. This isn't unique to Cayman. All over the world, commerce departments are now being broken out to have their own assessment of how they enforce compliance, so they're going to need additional staff because the FATF has also enhanced the rules. Previously you used to be able to staff up and pass legislation just before the assessors landed, which in this case would be December 2027. Now the cut off is six months before that, so everything is in advance and when you sit at the table as part of the assessment, you have to be able to prove the steps you have taken between the 4<sup>th</sup> round and the 5<sup>th</sup> round, so it's not acceptable for us — we would put ourselves at risk — if we only start a year before the assessment happens and are not able to build up the legislation and statistics to show the effectiveness of the system, so it has to start now.

**Mr. A. Roy Tatum:** Mr. Chairman, I appreciate that. Thank you very much for that response.

I'm still puzzled though, as to exactly what the work is. We aren't too far from the end of this year, and we are talking \$1,150,000. Is it going to be spent on consultants? What is that being spent on? It is rather vague, "to cover the costs associated with work to take place." How are we spending \$1.15 million?

**The Chairman:** Honourable Premier.

**The Premier, Hon. André M. Ebanks:** The money is spent on the hiring of new staff, on new software to support technical assistance, and also on the creation of enforcement units that didn't exist previously.

**The Chairman:** Member for Red Bay.

**Mr. A. Roy Tatum:** It's a bit clearer. I'm not sure I fully grasp it but that's fine. I will leave it there. Other members may decide to ask further.

**The Chairman:** Member for Bodden Town West.

**Mr. Christopher S. Saunders:** Thank you, Mr. Chairman. Through you to the Honourable Premier.

I noticed one of the reasons given for the increase is to provide greater support for the reinsurance sector. May I ask:

1. What is that support; and
2. Are we doing anything to get more reinsurance in Cayman because the lack of reinsurance is something that has been killing homeowners.

Is this giving us an opportunity to get more capacity within the Cayman market, which can probably help people with house insurance rates?

**The Chairman:** Honourable Premier.

**The Premier, Hon. André M. Ebanks:** Through you, Mr. Chair and thank you to the Member for the question.

Yes, the Appropriation would assist with having more insurance specialists within the insurance division because the reinsurance entities that are attracted to Cayman want to know that the division is appropriately staffed because this is a new type of business that typically did not come to Cayman [and] is continuing to come. I think by the end of the year, they're going to be even more — B3 is the category that's happening now and Ds — than have existed in 2024 and over 2023, so the business is continuing. In fact, next week, I travel to New York with the Reinsurance Association and the Monetary Authority to make a pitch again for even more reinsurance companies that are coming here.

To the second part of your question, I've also challenged the ones that are already here: *Since this business is coming here and you're now being able to utilise the advantages that you see in the Cayman Islands, how can you assist us with a local issue, which is the cost of home insurance.* Right now, they're undertaking a study on how they can bring it down.

**Mr. Christopher S. Saunders:** Thank you very much, Mr. Premier for that answer.

I'm actually quite happy to hear that, the reason being that when we were doing an analysis once on the government's own insurance rate, we realised that retail customers in Bermuda, where there are many reinsurance businesses, were actually getting a better per-unit rate than the Cayman Islands government was buying in bulk, so I am hoping that with more reinsurance companies coming here we can probably start getting some of those house insurance rates Bermuda is getting.

Granted, Bermuda is in a different geographic location and there are other factors, but I could not help but notice the cheap house insurance rate that

Bermudans were getting because of the reinsurance business, so I look forward to it. Hopefully some of those benefits start accruing to our consumers here.

**The Chairman:** Honourable Premier.

**The Premier, Hon. André M. Ebanks:** Through you, Mr. Chair. That's one of the benefits.

In addition, why we feel quite strongly and assertive to try to track this business is that it's also bringing jobs. We now have Caymanians who have studied and become Actuaries, so if this type of business isn't incorporated into our overall framework as well, we're going to miss opportunities for Caymanians that didn't even exist; so it's an exciting time to incorporate this new line of business within our financial services framework.

**The Chairman:** Deputy Leader of the Opposition.

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

I want to go back to the monitoring of the Monetary Authority, particularly when it comes to banks' obligations. There has been much talk recently about the banks outsourcing services and this is going to go down to the immigration component of things whereby they are strategically circumventing, not illegally, but through loopholes of persons being able to do services from their laptops overseas. They leave for one year and just work from home back in Canada, South Africa or wherever; and then come back with the guarantee of that job. Employers are making them redundant, but more importantly, the banks are outsourcing many of the posts they have within the banks.

Has the Minister and Premier heard of any concerns in this area? If so, what are they? Are there any plans by way of policy to stop, slow down, or prevent what is being perceived as the loss of many jobs within banking services across the Island?

**The Chairman:** Honourable Premier.

**The Premier, Hon. André M. Ebanks:** Thank you, Mr. Chair. Through you and thank the Member for the question.

I think outsourcing is something that's not just unique to the banks; it's also part of financial services. This is why I think in relation to immigration reform, whilst we do have to have reform to ensure there is not abuse for Caymanians, we also have to be able to ensure that where there is needed labour we are able to transition and have it come smoothly to the country.

Otherwise, in the digital age, particularly after COVID, companies can now outsource jobs and it's very, very difficult to police; so it would be better to incentivise businesses to be able to bring those jobs here and have Caymanians who are coming home, or

who are studying these skills be able to graduate into those jobs.

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

**The Chairman:** Deputy Leader of the Opposition.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chairman. I am happy to hear that there's an examination of this area.

Is there anything the Premier can enlighten this Committee and the country on today as to things that will be done to circumvent, stop, prevent, hinder, and slow down what is rapidly happening already?

**The Chairman:** Honourable Premier.

**The Premier, Hon. André M. Ebanks:** Thank you, Mr. Chair. Through you and thank the Member for the question.

As I alluded to, I think that's going to have to come out through our immigration reform because to be able to police someone who is working from home... It could happen in Cayman — you don't know whether they are actually working or not, so the tool we're going to have to use is to have a balanced immigration policy to ensure that you incentivise businesses to bring the jobs here.

**The Chairman:** Since there are no more—  
Member for Bodden Town West.

**Mr. Christopher S. Saunders:** Thank you, Mr. Chairman. Through you to the Honourable Premier, and I will probably get in trouble for what I'm about to say.

In my previous life, I worked in a bank. At that time, my bank was 70 per cent Caymanian and I remember saying to the then Premier, the former Member for West Bay West at the time, that [government] should have charged my bank an extra \$300,000 and taken \$300,000 off from Cayman National Bank (CNB), which at the time was 90-something per cent Caymanian, because it is really unfair to have a bank that has 90-something per cent Caymanian staff versus a bank that has 70 per cent Caymanian staff, and charge them both a million dollars.

I think it is time to start looking at fees in the sense of really kind of giving a carrot to the banks or companies that are doing well by Caymanians. To charge the same fees to companies in the same industry, where one is doing well for Caymanians and one is not, is almost madness. We do not have a tax system here where we give credits for doing this kind of stuff, but we do have the power of fees. All these entities we are talking about are audited. Their staff cost is audited and we can look to say what percentage

of the staff cost they are incurring is earned by people in the Cayman Islands versus outside of the Cayman Islands — because they all include it in their financial statements whether at a local or consolidated level; and start looking at the fee structure in that regard but we need some carrots and sticks because these are well-paying jobs that are leaving our shores.

[There is] one bank in particular that makes a ton-load of profit in Cayman, yet for whatever reason does not want to hire Caymanians and whenever there is any shutdown, et cetera, Caymanians are the first. The worst part about it is that in other jurisdictions where they operate, they can't do it. [It seems] this is the only place where they can do it, so it's time for us to start using some carrots and some sticks for some of these entities. If you don't hire Caymanians, leave. It is as simple as that.

**The Chairman:** I take that as a statement, not a question. Members, we do have a long agenda.

**Mr. Christopher S. Saunders:** There is a question: Can we look at the fee structure because we want to look at raising revenues. I recognise when the sun shines on the righteous it shines on the unrighteous too; but we can't be giving to the unrighteous the same amount we give to [entities] that are righteous. That is the question.

**The Chairman:** Premier.

**The Premier, Hon. André M. Ebanks:** Thank you, Mr. Chair. I do think it is a question and was going to comment either way, even if it was a statement. It goes back to the Member for George Town Central's [point], to the exchange we just had, that it can't all be about enforcement. At some point, there have to be incentives for — the term is "good corporate citizens".

They should be able to get a set of incentives that can prove how well they have staffed Caymanians, and not just staff at the lower level. Have shown pathways to what they call the C-suite, the top jobs. They should get breaks because, beyond banks, some of these businesses hold *five* licenses and the owners have said to me, *I'm juggling five licenses and have all these different regulatory requirements. I'm 70 per cent Caymanian yet my fee is the same as someone who has basically two persons on a laptop at home, who is not hiring anybody.*

At some point, it can't just all be enforcement. There also has to be a set of incentives.

**Mr. Christopher S. Saunders:** Thank you very much, Mr. Premier. I'm pleased to hear that. While you're having a look at that, take a look at companies that run in to those economic zones when they can't get what they want out here. There's abuse going on there too, so while you all are having a look at it, I implore you to look at that also.

**The Chairman:** Honourable Premier.

**The Premier, Hon. André M. Ebanks:** It was a statement, but I'm happy to take it because you would have reformulated the question [into], "Are you looking into the special economic zones and other arrangements?"

Yes, we are.

**Mr. Christopher S. Saunders:** Thank you very much.

**The Chairman:** As there are no further questions...

All those in favour of supplementary expenditure with respect to MOA 12 - Regulation of the Financial Services Industry for an amount of \$1,150,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: MOA 12 passed.**

#### **EI 67 - Ministry of Financial Services and Commerce**

**The Chairman:** Members, we turn attention to EI 67 - Ministry of Financial Services and Commerce for an amount of \$185,000. Are there any questions? *[Pause]*

Since there are no questions, all those in favour of supplementary expenditure with respect to EI 67 - Ministry of Financial Services and Commerce for an amount of \$185,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: EI 67 passed.**

**The Premier, Hon. André M. Ebanks:** Mr. Chair, if I could briefly thank members for all their support, particularly those in the Opposition, recognising the importance of financial services. I'm also heartened to see agreement on things I think we can all work together to enhance, which will benefit Caymanians.

**The Chairman:** Thank you.

I would like to thank all the staff from the Ministry responsible for financial services and those staff members from CIMA who attended the Committee today. Thank you for your attendance.

Members, this would be an appropriate time to take a one-hour lunch break. We will resume promptly at 2pm.

**Committee suspended at 1:06pm.**



**Committee resumed at 2:13pm**

**The Chairman:** Members, I would like to call back this meeting of Finance Committee [to order]. Please be seated.

**CAY 2 - Children and Youth Services Foundation**

**The Chairman:** Colleagues, before we took the luncheon break, we stopped just before we got to CAY 2 - Children and Youth Services Foundation for an amount of \$604,410. Are there any questions?

*[Inaudible interjection]*

**The Chairman:** We're on page 11 of the Schedule.  
Member for Bodden Town West.

**Mr. Christopher S. Saunders:** Thank you very much, Mr. Chairman.

Mr. Chairman, through you to the Honourable Minister. Can you tell us how many people are employed under this vote? I know it has several different locations.

**The Chairman:** Honourable Minister.

**Hon. Isaac D. Rankine, Minister of Social Development & Innovation, and Youth, Sports, Culture & Heritage, Elected Member for East End:** Through you, Mr. Chair. The information I have currently is there are 45 full-time staff and 13 casual workers (part-time).

**The Chairman:** Member [for Bodden Town West].

**Mr. Christopher S. Saunders:** Thank you very much, Mr. Chairman.

Through you to the Honourable Minister. Can you tell us the breakdown of those 45 full-time and 13 casual staff in terms of nationality?

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. Of the 45 full-time staff, we have 19 Caymanians; 22 work permit holders — I don't have their nationality; and 4 permanent residents. [On] the 13 casual workers we have 12 Caymanians and 1 RERC [Residency and Employment Rights Certificate].

**The Chairman:** Member for Bodden Town West.

**Mr. Christopher S. Saunders:** Thank you very much, Mr. Chairman.

Mr. Chairman, through you. What's the difference between the full-time versus the casual staff?

**The Chairman:** Honourable Minister.

**Hon. Isaac D. Rankine:** Through you, Mr. Chairman. The casual or part-time staff is additional staff they need to assist because of the workload. They didn't have enough full-time staff, so the casual staff are part-time to assist.

**Mr. Christopher S. Saunders:** Thank you Mr. Chairman. Through you.

For my own understanding and, Minister, I recognise there is a lot of historical context, and I guess you inherited this along with previous Ministers. What is stopping the 12 Caymanian casual staff from doing the job of the 23 work permit holders?

**The Chairman:** Honourable Minister.

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. I am not sure of the context in which they were hired, but certainly all efforts should be made to ensure that all qualified Caymanians who work at the facility are given the opportunity to work there [full-time].

**Mr. Christopher S. Saunders:** Mr. Chairman, through you to the Honourable Minister. This is where the crux of my concern comes. I recognise that we're dealing with at-risk youth and there are certain cultural sensitivities that need to be undertaken, which I don't believe are being undertaken properly.

There is a strong... I don't want to use the expat/foreigner type stuff, but recognising the nature of what this is, we need people employed there who understand our people. I have concerns about some activities I've heard [about] which I will not raise in this public forum, but which I have discussed with you privately. I just want to say for the record that I have serious concerns about the management and the governance structure in this foundation for our children.

I'm going to ask you, Minister, to please — I'm begging you — please, deal with it because I'm hearing reports, and they are not nice. Thanks.

**Hon. Isaac D. Rankine:** Thank you for that, Member for Bodden Town West. We will certainly take that into consideration.

**The Chairman:** The Deputy Leader of the Opposition.

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

Can the Minister say how many different nationalities are working in and receiving services from DFA [Department of Financial Assistance] (formerly NAU)? Do you have a breakdown?

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. This is not that vote yet.

**Mr. Kenneth V. Bryan:** Okay. Thank you, I'll transition my question to one [pertaining to] CAYS and DCFS [Department of Children and Family Services].

Are you aware of the policy that was once implemented in your Ministry that dealt with not asking for a court order for child support payments? Child support as a means of getting any support from DCFS, or DFA, or NAU, which is on the next line, but I think they are interlinked and you cover both of them.

**Hon. Isaac D. Rankine:** Through you, Mr. Chairman. Yes, I think we should take that on when it comes up to the other votes. This is the CAYS Foundation, CAY 2.

**The Chairman:** We'll get there in the next item, so let's take this vote and get on to the next item that deals with Children and Family Services. All those in favour—

**Mr. Kenneth V. Bryan:** Mr. Chair, I apologise. If we look at the line item, it also speaks to the DCFS; hence the line of questioning. Unless he's saying that these services have no association with DCFS, then the description is...

**The Chairman:** Deputy Leader of the Opposition, all of these services would have some form of interlinking. The point we're making is [that] the next item will be more appropriate for your line of questioning.

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

**The Chairman:** All those in favour of supplementary expenditure with respect to CAY2 - Children and Youth Service Foundation for an amount of \$604,410 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: CAY 2 passed.**

#### **TP 41 – Financial Assistance**

**The Chairman:** The next item TP 41 – Financial Assistance in the amount of \$2,600,000. Are there any questions on this item?

The Member for George Town West, Hon. McGaw-Lumsden.

**Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker, Elected Member for George Town West:** Mr. Chair, thank you. Can the Minister identify how many households are currently receiving assistance and has that changed since last year?

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. The number of households currently receiving financial assistance totals 1,765 households.

**The Chairman:** Hon. McGaw-Lumsden.

**Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker:** Thank you, Mr. Chair. Can the Minister identify for me what proportion of beneficiaries are on long-term assistance versus short-term?

**The Chairman:** Honourable Minister.

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. The total number of persons receiving long-term financial assistance at this time is 1,111.

One second, sir.

*[Pause]*

**Hon. Isaac D. Rankine:** Mr. Chair, just to clarify, there are 3,024 persons receiving assistance, and of those, 1,111 are on long-term financial assistance.

**The Chairman:** Thank you Minister.

Member for George Town West, Honourable McGaw-Lumsden.

**Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker:** Mr. Chair, just to clarify, you said \$1,765 initially, then it jumped to \$3,000—

*[Inaudible interjection]*

**Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker:** Wasn't it \$1,765?

**Hon. Isaac D. Rankine:** You asked how many households. That's different from persons, ma'am.

**Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker:** Okay. Sorry.

Following on from the first question that I posed with regard to households, has that number increased since last year?

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. You're asking a new question? Whether that \$1,765 number has increased since last year.

**Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker:** Yes.

**Hon. Isaac D. Rankine:** Okay. I'm sure it has, but one second.

*[Pause]*

**Hon. Isaac D. Rankine:** Through you, Mr. Chair, [we don't currently have that information with us, but we'll undertake to provide it in writing to the member.](#)

**The Chairman:** Honourable McGaw-Lumsden.

**Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker:** Mr. Chair, through you to the Minister. Can you identify what collaborations are happening or exist between social development and labour to help able-bodied recipients transition to employment?

**The Chairman:** Honourable Minister.

**Hon. Isaac D. Rankine:** Sorry, could you repeat the question?

**Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker:** Are there any collaborations between social development and labour to help able bodies transition into employment?

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. Currently, those who receive financial assistance and are able-bodied are required to register at WORC [Workforce Opportunities & Residency Cayman] in order to seek jobs.

**The Chairman:** Honourable McGaw-Lumsden.

**Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker:** Do we have a number for those able bodies, please?

*[Pause]*

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. The total number of able bodies that are able to work is 824.

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

**The Chairman:** Deputy Leader of the Opposition, are you giving way to the Member for Bodden Town West?

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Yes.

**Mr. Christopher S. Saunders:** Thank you very much, Mr. Chairman; and thank the Deputy Leader of the Opposition for giving way. What was the total spend for TP 41 in 2024?

*[Pause]*

**The Chairman:** Honourable Minister.

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. I don't currently have that information at hand, so I could

provide it in writing to the member if the Financial Secretary doesn't have it.

**The Chairman:** Minister, your Chief Officer is here and I see other staff. You have a CFO. Can you have someone call the Ministry and get that number as we continue, please? Thank you.

**Mr. Christopher S. Saunders:** Thanks Mr. Chairman. I appreciate it.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Mr. Chairman, oh, how times have changed. Thank you for that direction because I am going to go down quite similar lines, Mr. Chairman and I don't know if...

When you are in Finance Committee, we know that we have to have an understanding as to the budget years because my question would be how we got here with TP 41 Financial Assistance. I see that the Schedule says the original appropriation for 2025 was \$12 million, so can the Minister say what is the running average for this Ministry per year? Maybe you can explain why it was originally budgeted for \$12 million, and actually went down to \$6 million.

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. While the original appropriation for 2025 was for \$12 million, as the member rightly said, the revised appropriation that is listed here is that we are currently on the road to spend \$32,358,250. As I guess the general public is aware by now, this is one of those years that has been historically underfunded and we are doing our best to ensure that going forward we fund it as best as we can to the levels that we know it should be at.

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

Through you, Mr. Chair. I hear the Minister say we're going to try to best fund it. I'm assuming that in the upcoming anticipated budget this area would be funded on a reasonable average, as we heard from the Financial Secretary in a recent public hearing, that the good principle, formula, to use is the average of the last 2 to 3 years; was that your intention as Minister?

**The Chairman:** Minister, before you answer — that principle is true, save for changes in legislation or policy. For example, if you change the policy whereas the person was getting \$1,500 and then you make it \$4,500, you will see how the average makes no sense.

What I can assure the Committee of is that coming up in this budget we're taking a look not only at the recent history, but at what the impact of policy change has been as well; but I'll let the Minister answer the rest of the question in terms of how the staff have actually done the work.

**Hon. Isaac D. Rankine:** Thank you Mr. Chair and thank you for that explanation as well. Certainly, to the Member, we are hoping that we are getting it as close as possible to what we really need, but there are other policy changes that we are working on as well to ensure that we budget it appropriately.

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

Through you, and forgive me, Mr. Chair; I'm not trying to be difficult with him because he's my friend. I think most of us know that; but he says he's *hoping* they'll be budgeted.

He's the Minister. What does he mean by hoping, because I don't think it would be appropriate to come to this House again in a next couple of months after the hoopla of budgeting chaos that we went through in the last election to say he's hoping to come down, because I can't expect anything less than \$32 million for this area. Can the Minister opine, when he says hopeful, what does he mean?

**The Chairman:** Honourable Minister.

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. I could either say hopeful or very optimistic that it will be better funded than any year before, sir.

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

Mr. Chair, I just wanted to let the Minister know he has my full support to fund this area appropriately and thank the staff that work in this area who work so hard to help those who are disenfranchised by the lack of opportunity we have in this country, one way or the other. The team should be given much credit.

This is one of the questions that has been submitted to Parliament. I can withdraw it if you answer today. Can the Minister say whether or not the bus wardens were paid for this summer? Obviously, if you're looking for this appropriation now, you couldn't have spent the money. I want to know whether it was paid or not.

**The Chairman:** Member, can I just ask a quick question because I know a number of documents have been floating around. Is that not the subject of a parliamentary question?

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Correct, sir.

**The Chairman:** So you intend to withdraw the parliamentary question?

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** That's what I said. If he answers the question, I will withdraw. We are in Finance Committee which is separate from Parliament, sir.

**The Chairman:** Okay. I just want to get a commitment to the withdrawal of the question. Thank you.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** No, no. If he answers it, I will withdraw it. If he answers satisfactorily, I will withdraw it.

**The Chairman:** Deputy Leader of the Opposition, we can play semantics all day. I will disallow the question if I don't get a commitment to withdraw the parliamentary question. It will have to wait.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Mr. Chairman, I am quite fine. If he chooses not to answer while the people are listening, it is up to him.

**The Chairman:** Honourable Minister, can you please answer the question.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Uh-huh.

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. All bus wardens were paid a stipend for 2025.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** See how easy that was! Thank you so much, Mr. Chair. I give you the commitment that I will withdraw [the parliamentary question] because those bus wardens and drivers— confirm it was the drivers as well, please.

**Hon. Isaac D. Rankine:** That is correct.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you; I'll be happy to withdraw that question.

**The Chairman:** Thank you, Deputy Leader of the Opposition. This is how all the organs of Parliament should work — in harmony.

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

One last question for me in respect to this subject area: Can the Minister say what the original appropriation was for 2024 because the Schedule outlines the original appropriation for 2025, but it does not say about 2024.

**The Chairman:** Honourable Minister.

**Hon. Isaac D. Rankine:** I don't have that number at hand, but I'll get it in a few minutes; however, if I can answer the question now for the Member, the total spent for 2024 was \$26,238,553.35.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Through you, Mr. Chairman, because we don't have the original appropriation amount for 2024, but we have the original appropriation for 2025, would it be fair to say—

**The Chairman:** Deputy Leader of the Opposition, if I might just give you the information: the original appropriation for 2024 was \$15.2 million.

**Hon. Isaac D. Rankine:** That is the information I have at hand now, sir

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chair; and if I am correct, by the Minister, the end result was that the Ministry spent \$26 million.

**Hon. Isaac D. Rankine:** \$26.2 million.

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

Through you, Mr. Chair. Is it fair to say that without having an average, the Ministry under-budgeted by over \$11 million for 2024? Would that be fair?

**The Chairman:** Honourable Minister.

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. The government budget for TP 41 was under-budgeted at the time, yes.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you.

Is it also fair to say that now that we have a projected amount for 2025, the original amount of \$12 million would be considered under-budgeted by \$20 million?

**Hon. Isaac D. Rankine:** Based on the budgeted amount and what we are expecting to spend, that is correct.

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

*[Pause]*

**The Chairman:** Member for Bodden Town West.

**Mr. Christopher S. Saunders:** Mr. Chairman, I am concerned.

The last time Finance Committee met, we looked at three votes — NGS 55, HEA 2, and TP 41; today, these three votes for this year are going to be in excess of \$100 million. This is a structural problem that every single Member of this Parliament needs to be concerned about. At this rate, in five years it will be

\$500 million and in ten, a billion dollars that could have gone elsewhere.

We're talking about an island that has a very good problem in that we have more jobs than Caymanians — I think the last time it was around 30,000 work permits. We have got to do a better job of finding opportunities for our people. This isn't about being on budget or under budget but \$100 million going into taking care of our people because of certain structural issues, so ahead of the SPS [Strategic Policy Statement], I am begging every Member of this honourable Parliament to put on your thinking caps, because when we were all running for election we had the solution for every problem in this country.

We need to start thinking differently, and we need to fix this problem. We cannot leave it for the next generation; we cannot kick this can down the road, so I'm begging all members: let this be the last year we spend \$100 million like this and let's start looking at ways we can give our people opportunities and start reducing the cost. This is unsustainable. That's all I have to say on that.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Mr. Chairman, I just recognised that we forwarded the question from the earlier line item to this one, so I'll ask it now: Can the Minister say whether mothers are still mandated to take their children's fathers to court for maintenance as a prerequisite to get assistance from the DFA [formerly NAU]?

**The Chairman:** Honourable Minister.

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. Since this new term, this new Government has not had any policy changes from what was there before.

**The Chairman:** Deputy Leader of the Opposition.

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

I'm so happy to hear that the Ministry, with you as Minister, is continuing the policy which I and the Government created at the time. I applaud you for it because it placed mothers at severe risk. I hope that policy continues.

Last question: Can the Minister say whether nationalities other than Caymanians are getting assistance from the Department of Financial Assistance?

**The Chairman:** Honourable Minister.

**Hon. Isaac D. Rankine:** One sec while I check my notes, Mr. Chair.

*[Inaudible interjection and laughter]*

*[Pause]*

**Hon. Isaac D. Rankine:** Through you, Mr. Chair, we have seven persons who are not Caymanians but who get assistance for their Caymanian child.

**The Chairman:** Deputy Leader of the Opposition — you did say “final” question, but I’ll allow one more.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chairman. I know you would hate to prevent the people from fully understanding how their tax money is being spent, so I appreciate the levity.

Mr. Chairman, did the Minister say five people?

*[Inaudible interjection]*

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Seven people.

Can the Minister give a breakdown of their nationalities, if he has it by category, because I’m almost certain that there are more than seven people who are getting assistance from the Department of Financial Assistance. I would encourage the Minister to maybe double-check with his team because I would hate to do an FOI [Freedom of Information] and show that information is incorrect.

**The Chairman:** For clarity, Deputy Leader of the Opposition, you just said more than seven people are getting assistance. You meant seven non-Caymanians getting assistance.

*[Pause]*

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. I stand corrected. He didn’t get all the information, and I apologise for that.

We have 36 RERC with Caymanian links, 9 work permit holders, and 2 visitors. The work permit holders (and I stand to be corrected) are tied to Caymanian children, so they get support for the Caymanian child.

**The Chairman:** Just for clarity, RERC would be Residency and Employment Rights Certificate, meaning persons married to Caymanians.

**Hon. Isaac D. Rankine:** That is correct, sir.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chairman. That does add clarity to it, because I don’t want to leave the public with a perception of us spending money on foreigners, as people would see it.

I want to give the Minister an opportunity to opine further on why there would be justification to give a work permit holder financial assistance, particularly when the children are involved and oh, you also said two visitors. I think we need clarity on what you mean

by visitors. Are you talking about people on vacation? What does that mean?

**The Chairman:** While we wait, let’s add flavour and not pretend like this has not been a long, long-standing issue. I have not been a Member of this Parliament for 12 years and when I was here previously, the policy position was that if you married a Caymanian and something happened during that marriage that caused you (the person who married the Caymanian) to become destitute, you were able to apply. We had cases of domestic abuse where a Caymanian was married to a non-Caymanian and that person then had to be taken care of in safe homes, et cetera; and yes, they did get assistance.

We have also had the policy, preceding any of us in this Parliament, where if you were a non-Caymanian on a work permit who had a Caymanian child for a Caymanian and that Caymanian was not supporting their child, the parent who was on a work permit could apply for assistance to support the Caymanian child. I think all of us are very clear that it has been a longstanding public policy that we’ve had, and I don’t think any of us in here would argue about it. I know the Minister was getting additional information in regard to the whole issue, but I wanted to ensure that as a committee we took a step back and painted the picture thoroughly.

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. The two that are listed as visitors, that category came from the immigration system, but they are linked to a Caymanian child. We can’t give the child a stipend, so we have to give it to somebody who has responsibility for that child.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you so much, Minister.

In the interest of this sensitive area, I’m going to drop that for now, but I want us to be mindful, Mr. Chairman, and I know the Government will have a very difficult task of balancing the morality of protecting children’s lives, particularly Caymanian children’s lives—but children, period—with what can be created as a culture of behaviour where persons would intentionally try to have children for Caymanians to get benefits, which worries many in our community. It’s a hard balance and by all means, I don’t think I have the answer for it.

Obviously, not only Caymanians are listening to us today; [there are also those] listening who say, “Well, boy, if I have a child, the Government will help me take care of the child.” I just want to put that in context while we juggle this ever-sensitive area. I’m not saying that there’s an answer, but anything I can do to support the Government and the Ministry, which has amazing staff members... and I congratulate you for all the hard work you do to keep that juggling act.

Thank you, Mr. Chairman.

**The Chairman:** Member for Cayman Brac East.

**Hon. Juliana Y. O'Connor-Connolly:** Thank you.

I just had a quick follow-up, Mr. Chair, to when the Honourable Minister referred earlier to the bus wardens' remuneration. My constituency office, as recently as last week got inquiries as to the payment, so can he confirm whether the bus wardens and drivers on Cayman Brac were paid; and if not, give an undertaking to see why they were not and to rectify it if they were in fact not paid.

**The Chairman:** Honourable Minister.

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. Based on the information I have all the bus companies were paid to pay their employees.

**The Chairman:** Member for Cayman Brac East, Honourable O'Connor-Connolly.

**Hon. Juliana Y. O'Connor-Connolly:** I just want to confirm that the Honourable Minister is diplomatically saying that the Government paid the contracted persons, but they're not necessarily responsible for ensuring that the bus wardens and drivers were paid. That's not an allegation of blame, just a confirmation of what might have occurred on the Brac because they did come to my office last week and said they were not paid.

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. *As far as I am aware, yes, they were all done, but we can give you that confirmation.*

**The Chairman:** Member for Red Bay, Mr. Tatum.

**Mr. A. Roy Tatum:** Thank you, Mr. Chairman.

Through you, sir. If the Honourable Minister could advise with regard to the—I'm not sure what it's called, so I'll just refer to it as the DFA customer service portal that was introduced. If you could advise me how well it is working, have there been any challenges with it at all? Also, there were a number of customer service metrics introduced when the new system was rolled out. Could you give me some idea as to whether the metrics are being met and provide any recent statistics on the said metrics that you have?

**The Chairman:** Honourable Minister.

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. Can you give me a second to consult with my team?

*[Pause]*

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. I'm going to ask the Acting Director of the Department of Financial Assistance to speak about the portal. I don't have the information on that.

**Mr. Justin Ebanks, Acting Director, Department of Financial Assistance:** Good afternoon. Justin Ebanks, Deputy Director of Operations, Department of Financial Assistance.

In regard to the Member's question, we have received a significant number of applications through the portal; however, the main medium that clients prefer is in person. This is mostly due to the older persons based in our community and their access to computers and the internet. We have also been receiving some through the district visits we conduct, but mostly through the office and email.

**The Chairman:** Mr. Tatum.

**Mr. A. Roy Tatum:** Thank you, Mr. Chair. There was also a question with regard to the customer service metrics and whether they're being met in terms of the standard time frame for getting back to people and so on, but before you answer that, what I'm hearing is that the portal is live; it's active. I haven't heard whether there have been any challenges with its operation, so maybe you could discuss or advise on that. Do you have any idea of, and if not now, it could be provided in writing afterwards, what percentage of the applicants are being handled through the portal rather than still handled in person?

I'm glad that in person [service] is still available so people may actually walk in [because] you're right, not all elderly will be happy using the computers, but if you could give some idea of how many people are using the portal versus still coming to the office.

**The Chairman:** Mr. Ebanks.

**Mr. Justin Ebanks, Acting Director, Department of Financial Assistance:** Through you, Mr. Chair.

To date, 19 per cent of the applications received were through the portal; through the office, 46 per cent; and through the email, 31 per cent. In the beginning we did have some issues in regard to the system; however, through the other departments within the Cayman Islands government, we have been able to resolve them. To date, there have not been any known issues, but if they do occur, the public is sure to let us know and we do our best to resolve it.

**Mr. A. Roy Tatum:** Just to make sure I captured that correctly: 31 per cent by email, 46 per cent in person through the office, and the difference was 19 per cent.

**Mr. Justin Ebanks, Acting Director, Department of Financial Assistance:** Then we have 2 per cent through district visits and another 2 per cent through our Cayman Brac office.

**Mr. A. Roy Tatum:** Okay. Very good. Thank you. I appreciate that. Through you, Mr. Chair, I really appreciate that answer.



In terms of the response times and your customer service metrics, are those being met and do you have any numbers you can provide in terms of your response times?

**Hon. Isaac D. Rankine:** Through you, Mr. Chair, we currently don't have that information with us, but we will undertake to provide it to the Member in writing.

**Mr. A. Roy Tatum:** Thank you, Mr. Chair. I do look forward to receiving it. It's actually important for us to know how quickly we're responding to these individuals. Thank you.

**The Chairman:** Member for Bodden Town West.

**Mr. Christopher S. Saunders:** Mr. Chairman, I want to thank Mr. Ebanks. Two days ago, on Tuesday, I called him for the very first time because, though Ms. Tamara (who is a rock star) was off island, she got back to me and gave me his details. He was very professional and very quick.

I'm seeing him for the first time here, so I want to publicly thank you for the assistance that you rendered to my constituents. I greatly appreciate it.

*[Desk thumping]*

**Hon. Isaac D. Rankine:** To follow from that, Mr. Chairman, we have many rock stars at the DFA; and they are all Caymanians, sir.

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

**The Chairman:** Excellent. I take it is a good time to—

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** No, sir. It's not a good time yet, Mr. Chairman.

**The Chairman:** Mr. Deputy Leader of the Opposition, we have two more questions. We have really beaten this to death.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chairman. Can the Minister say if there is any expectation of increase in need due to the announcement that going forward the Government will not have the NiCE programme, better known as the Christmas clean up?

**Hon. Isaac D. Rankine:** As far as I'm aware, I don't think the Minister made any announcement that there was not a NiCE programme, but certainly we can't estimate every single need that may arise. If a need arises, then we have to take it on as best as we can. Some of the people who work in the NiCE programme have jobs and some of them may have already been

getting a stipend or some sort of assistance from the DFA.

Like I said, we can't project the need like that because if we were to, the NiCE programme is what, 400 persons? I'm sure the Department hasn't projected an increase of 400 persons on their books.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you.

Through you, Mr. Chairman. Maybe I'm inferring it in the opposite because we can see that there may be a dip for requests during Christmas with the NiCE programme so one could infer, if the NiCE programme isn't happening, there would be a change in the opposite direction but fine, if you guys don't have the analysis, I'll leave it there.

I got the information about no NiCE programme going forward, Minister, from your colleague's contribution in the past sitting of Parliament when it was said they would not be doing any NiCE programme moving forward. That's where I got my information from; I think we were all there.

The last question from me: can the Minister say how they plan to address the transition, which I support, by the Minister of Finance, moving from output to outcome-based budgeting because it's going to be a bit different for this Ministry to assess that. Do you understand what I mean, Minister?

**The Chairman:** Honourable Minister.

**Hon. Isaac D. Rankine:** Sorry, can you expound on that a bit for me, please? If you could repeat the question, sorry.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** The question is: do you foresee any challenges or difficulties with the way you deliver services when they transition from output to outcome budgeting?

**Hon. Johany S. Ebanks:** Mr. Chair, one minute, sir.

**The Chairman:** Honourable Minister.

**Hon. Johany S. Ebanks:** I just want to clarify what the Member for George Town Central mentioned just now, that the Member for Prospect mentioned there wasn't going to be any NiCE programme. What the Member mentioned was that the Government wasn't looking at doing it 365 days of the year. That was what he alluded to at the time.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Mr. Chairman, I thank the Honourable Minister for that answer. Is that an assertion that we will have the NiCE programme this year?



**Hon. Johany S. Ebanks:** Mr. Chair, if you may, can I ask the Member to put in his question at the next sitting of Parliament?

*[Crosstalk]*

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. On the Member's original question of output versus outcomes. We don't have any directive on that yet, but I'm sure if it were to happen, there would have to be adjustments made.

**The Chairman:** Member for Cayman Brac East.

**Hon. Juliana Y. O'Connor-Connolly:** I am trying my best, but that one was too inviting.

Can the Minister please explain to this honourable House what he means by they do not have any directive on that yet, when it's public knowledge? Even me who live in Cayman Brac heard what the news was in Grand Cayman about the intention of monies already paid to Ernst & Young for the change of direction on how our budgets are done. Has a circular—since we are in the days of circulation of circulars, pardon the pun, *that circular nuh reach yet?*

**The Chairman:** Honourable Minister.

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. I'm not saying that it won't happen, I'm just saying I have not been advised and my staff has not been advised of that as yet.

**The Chairman:** Member for Cayman Brac East, the entire government will be moving to outcome-based budgeting.

As it relates to this particular Ministry, all of us will know that our desire is to have strong, independent Caymanian families upon which to build strong communities and a strong country. That will be the ultimate test of the Ministry for Social Development and so we will ensure that the programming and policies that are in place to do that continue and will be properly budgeted and funded.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Mr. Chairman, I'm venturing out on the ridge of the drop-off now, so I'll leave it by simply saying, I'm not trying to create a problem. I am suggesting that it's going to be rather difficult to [transition] to outcome-based given the services they provide. That's all I'm asking.

I was giving the Minister and his team an opportunity to say that this is going to be challenging. It's not like other Ministries, whereby you can be more specific about outcomes because you're talking about social welfare divvying. If they haven't analysed it yet, that's fine. We can talk about it another time; but we have to figure it out in order that the Minister is not

caught in a difficult place budgeting for monies he may not project properly because we're going to get into the whole thing about projections [which] we are here today talking about [how] they are off and on and off.

I don't want my colleague and friend, the good Minister for East End, to find himself in a difficult spot; so I advise you as a friend, my brother, to assess how your Ministry is going to go with outcomes on the kind of service you deliver. It's going to be difficult. Ask your staff, they'll tell you what I mean.

**The Chairman:** Honourable Minister.

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. I thank the Member for George Town Central for his comments and advice.

**The Chairman:** All those in favour of supplementary expenditure with respect to TP 41 - Financial Assistance for an amount of \$2,600,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: TP 41 passed.**

#### **TP 47 – Ex-Gratia Benefit Payments to Seafarers and Veterans**

**The Chairman:** We move on to TP 47 – Ex-Gratia payments to seafarers and veterans for an amount of \$3,300,000. Are there any questions? Member for Bodden Town West, Mr. Saunders.

**Mr. Christopher S. Saunders:** Thank you very much, Mr. Chairman.

Mr. Chairman, through you to the Honourable Minister. Just trying to understand what's driving the increase? Is it a matter of the amount being paid or the number of people being enrolled?

**The Chairman:** Honourable Minister.

**Hon. Isaac D. Rankine:** It's a bit of both and also the increase that was given in terms of the stipend last year as well.

**Mr. Christopher S. Saunders:** Thank you very much. I remember it has been an issue since the very first time I got elected. Do we have more seamen and veterans coming on to the register each year?

**The Chairman:** Honourable Minister.

**Hon. Isaac D. Rankine:** We still have small numbers of seafarers being registered, and you know,

sometimes when they get registered their spouses get registered as well for some of the services offered.

**The Chairman:** Okay, that's different now, in terms of the spouse. That's a completely different thing now. With regard to the spouse, is it a situation where we basically have some of the older Caymanian seafarers and veterans having new wives? Is that the situation? You know exactly where I'm going with this.

*[Crosstalk]*

**The Chairman:** Honourable Members will know that this has been an age-old story; but I will ask the Honourable Minister to answer so we can wrap up this line of questioning.

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. Yes, it's been an age-old problem and it's something that we will be having a look at in the Ministry.

**Mr. Christopher S. Saunders:** Okay, which leads me to the real question I want to ask. What happens to the original Caymanian wives when the veterans or seamen take a new wife? What happens to the Caymanian wife who has been with them; how are they treated?

**The Chairman:** Before the Minister answers the question, and noting body language and tenor, is the Committee minded to perhaps pass a resolution whereby new wives who were not wives when seamen were seamen do not get benefits? Is that where we are heading? I'm asking a question.

It's a question from the Chair. This is a question.

*[Inaudible interjection]*

**Hon. Juliana Y. O'Connor-Connolly:** Perhaps it would be much more equitable from a female perspective if we made a resolution to ensure that the Caymanian women who stayed here, fanned mosquitoes, took care of the children and did everything else don't have to go cap in hand to social services, but they have more of an ex-gratia benefit; however you want to deal with that, because all of us are politicians and they come to us. They were here when the men went to sea and are not prohibiting going south of the border for their new wives or—

*[Laughter]*

**Hon. Juliana Y. O'Connor-Connolly:** —Wherever their heart may deem to take them, but I really think it's grossly unfair (even though from a legal perspective, it is legal) that once they remarry, the Caymanian wives don't get that benefit, when they were the ones who built on the little piece of the house, as the Member would know. West Bayers did the same as Cayman

Brackers: bore their children and sometimes had to wait two years before they saw them and went through real hardship. Perhaps it's time that, while we are doing this study and surveys we can look at those Caymanian women and see how we can best bridge the dignity gap. [That] would be my respectful submission as a woman.

*[Desk thumping]*

**Mr. Christopher S. Saunders:** Mr. Chairman, just to expand on what the Member for Cayman Brac East [said] and to quote your language from last Sunday when you and I were at a function when you— in fairness to the Minister, he recognised very eloquently in the church the contribution of the wives of seamen who stayed back and built the society when the men were away. I believe it is time for us, rather than have this issue, as the Member for Cayman Brac East said, just start adding the Caymanian wives from now and bridge the dignity gap in that regard.

**The Premier, Hon. André M. Ebanks:** Mr. Chair.

**The Chairman:** One thing I wanted to ensure the Committee understood was, what was the genesis of the question, because we seemed to have been leading up to something, and we might as well get to the bottom of the matter. No pun intended.

*[Laughter]*

**The Chairman:** Members, obviously any policy position we were to take is going to have a budgetary implication and I can say that we cannot have our cake and eat it too, nor can seamen so, on behalf of its people, this Committee needs to decide which wife gets the benefit. Perhaps it needs to be something you all think about and pray about very hard, and in the future, we come back in a formal setting as a Parliament and make a decision.

I would certainly encourage the Ministry to do some studies on this because, as the Member for Bodden Town West said, this encapsulates part of that growing area of giving, when this country thought we would wind up having a diminishing number of seamen. I got elected 25 years ago; how many now for the Member for Cayman Brac East? 30?

*[Inaudible response]*

**The Chairman:** Too long to count. She's been here long before I first got here, 25 years ago, and this was an issue we talked about then in similar terms.

Premier.

**The Premier, Hon. André M. Ebanks:** No need to belabour it, Mr. Chair; you made the point I was about to make.

**The Chairman:** All those in favour of the supplementary expenditure with respect to—

**Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker:** I have a question, Mr. Chair.

**The Chairman:** More questions on the seamen? The Member for George Town West.

**Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker:** Mr. Chair, thank you for your indulgence.

Can I ask the Minister: Have any new applications been added in the past 12 months and what is the processing time?

**The Chairman:** Honourable Minister.

*[Pause]*

**Hon. Isaac D. Rankine:** Through you, Mr. Chair. In the period from January 2025 until August 2025, there's been an average 0.58 per cent increase in the number of seamen that get benefits and applications.

*[Inaudible interjection]*

**The Chairman:** Honourable Minister.

**Hon. Isaac D. Rankine:** To further expound, let me give you some information I have here.

**The Chairman:** Thank you.

**Hon. Isaac D. Rankine:** Those are the total numbers:

January	866
February	864
March	872
April	867
May	865
June	862
July	861
August	866

*[Inaudible interjection]*

**The Chairman:** Minister, clearly from some of the decreases, those would be from people journeying to the other side of eternity, but there were some increases in there which I presume would be for persons who might have been spouses. How many gross new applications I think was what the Member was asking. How many *new* applications have we received?

**Hon. Isaac D. Rankine:** I don't have that information, but I can commit to giving that to the Member in writing.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Mr. Chairman, if I can—

**Hon. Isaac D. Rankine:** One second, Mr. Chairman.

*[Pause]*

**Hon. Isaac D. Rankine:** Mr. Chairman, 11 applications have been processed in 2025.

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

**The Chairman:** Deputy Leader of the Opposition.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you.

Having been the former Minister for a very short period this year, I think it's also important [to say — my father is a seaman, so blessings to all the seamen out there — that it's not only new wives who are new applicants. Some seamen become of age at different time periods to be able to get it as well as some of them may find themselves in a situation where they say, "*you know, I didn't need the help before, but I need it now,*" so I don't want this to be blamed only on wives or elderly seamen getting new, young wives, because that's not the only case.

My father worked quite hard and went about his life until he got to a point when he couldn't work much anymore and applied, so I want us to put this in context. It's not always about the wives. We have many seamen who have travelled, who are coming of retirement age and want to apply now. What we actually need to do is compare the number of people who went to sea, who are eligible and compare our figures to that, because we're constantly thinking that this number is going to go down but don't actually know what the original number is in the first place. I just want to put that in context.

**Hon. Isaac D. Rankine:** Also, Mr. Chair, we have seamen who are living overseas and then move back home and once they get a chance they apply for that benefit once they qualify, when they're back home for a certain period of time.

**The Chairman:** Honourable McGaw-Lumsden.

**Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker:** Mr. Chair, thank you. The new applicants in the last 12 months were 11. Are there any outstanding applications, and if so, how long is the average processing time for those applications?

*[Pause]*

**The Chairman:** Honourable Minister.

**Hon. Isaac D. Rankine:** There are currently two applications pending and the processing time is approximately one week.

**The Chairman:** Honourable McGaw-Lumsden

**Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker:** Thank you, Mr. Chair. Is there any appetite with regard to individuals who were seamen, who were not Caymanian at the time, but became Caymanians after?

**The Chairman:** Minister, before you answer that, I can say it's been a longstanding policy that you had to be a seaman who served during our sea-faring time to help build Cayman. I can remember this being subject to many audits when I served in the past with the Member for Cayman Brac East. You had to be Caymanian at the time.

**Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker:** Thank you, Mr. Chair.

**Mr. A. Roy Tatum:** Mr. Chair. Very quickly, not a question but a request.

I have constituents who are widows. One comes to mind right now, whose home is in Cayman, but travels because her daughter is overseas. She lost the benefit because of the fact that she was overseas for a period with her daughter. She came back home only to discover that the benefit, which is pretty much the only income that she has, was gone; so please, in your deliberations as to who benefits will be taken from, be very aware and careful that we're not doing harm where harm should not be done. Thank you, sir.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Mr. Chairman, I'm going to quickly take the opportunity because this is the last one for this Honourable Minister, I believe. Is it? Yes, it is. We're going into planning [next].

The Ministry also had a housing programme that assisted seniors with "dry-ins" as I think they were called. Is that programme going to stay with your Ministry or is it planned for it to move because one would think it would be best placed under the Minister for Planning since he does housing repairs already? Are we going to have two separate areas still?

**The Chairman:** Honourable Minister.

**Hon. Isaac D. Rankine:** Through you, Mr. Chair to the Member. We've actually moved all housing repairs under one Ministry, the Ministry of Planning.

**The Chairman:** All those in favour of supplementary expenditures in respect of TP 47 – Ex-Gratia Benefit Payments to Seafarers and Veterans for an amount of

\$3,300,000 being approved. All those in favour, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: TP 47 passed.**

#### **TP 57 – Children and Family Services Support**

**The Chairman:** TP 57 - Children and Family Services Support for the amount of \$50,000. All those in favour of the supplementary expenditure with respect of TP 57 – Children and Family Services—

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Mr. Chairman, I know that the Ministry is assisting with financing support for women in dire abuse situations. Before we left the Government, the former Minister did a very good job—I think the Premier was the Minister at the time when he started, or was it the Honourable Wayne Panton? I can't remember—for a secret location to be constructed. I always wanted to know if the Minister can give us an update on where things are with that – the Crisis Centre.

**The Chairman:** Honourable Minister.

*[Inaudible interjection and laughter]*

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** I know it's a secret. I'm not telling you to tell the location, but where the progress is.

**Hon. Isaac D. Rankine:** One second Mr. Chair, while I consult with the team.

*[Pause]*

**Hon. Isaac D. Rankine:** Through you, Mr. Chair to the Member who asked the question. Are you talking about the Crisis Centre?

*[Inaudible response]*

**Hon. Isaac D. Rankine:** Well, my understanding is that they are proceeding with their plans and at some point, very soon, they'll update the Government on what those plans are.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you.

Mr. Chairman, these opportunities are so important for the public edification of what's happening and due to the delay of the SPS, I really don't know what's going on; hence, the reason for so many questions, which I know you would understand.

Mr. Chairman, can the Minister say if there are any plans to address assisted housing for seniors or even an expansion of the Pines? I think we all had within our manifestos the recognition that there's going to be a greater need for assisted living [with our] ageing population; and we all know The Pines is a very sought-after location. I don't even know if there are any figures. I would suggest that you try to get some figures of estimates or expectations for future senior needs because I will be asking in the upcoming budget.

As Minister, are you and your team preparing for any kind of private sector partnerships or any government-built infrastructure to address this growing need?

**The Chairman:** Honourable Minister.

**Hon. Isaac D. Rankine:** Through you, Mr. Chair, the Ministry is going to be working with the Ministry that has responsibility for national housing on some social housing. In addition, there are plans to continue with the facility that is supposed to be done in East End. Also, there was a facility done with the Minister of Planning, for North Side—

*[Inaudible interjection]*

**Hon. Isaac D. Rankine:** —and we will be moving forward with those facilities.

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

**Hon. Isaac D. Rankine:** Just to note that there are also some planned works for the Kirkconnell Centre in Cayman Brac, some improvements, et cetera, there.

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

Through you, Mr. Chair. This one is probably more geared towards the whole Government so maybe the Premier may be mindful to assist or agree as he had a similar spirit of incentivising entities or businesses, particularly in financial services, to hire Caymanians and incentivise them with easy processing for labour and so forth. I think we should take a similar approach in respect to this area. I do not think the Government can be in a financial position to address the needs adequately, because we can't build all the housing. Private sector companies have presented numerous times to past governments, and I'm certain they're still interested now where there is a profit opportunity. No different than the Pines, where the DFA has to pay, I think it is \$5,000 per month for coverage for a senior if they get help from DFA.

Maybe the Minister can help me with that information, but my point is that the Government should be willing to accept private sector assistance in respect to this space rather than us trying to fill the need

ourselves when it's something that can be offered as a service outside of government, rather than adding more pressure. Just a thought.

**The Chairman:** Honourable Premier.

**The Premier, Hon. André M. Ebanks:** Through you, Mr. Chair and I thank the Member for the question. That's exactly what the Minister of Social Development and I are working on right now. We've already met with two private sector entities to explore how we can have a public and private partnership to provide housing for our people because it cannot rely solely on government anymore.

**The Chairman:** All those in favour of supplementary expenditure with respect to TP 57 - Children and Family Services Support for an amount of \$50,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: TP 57 passed.**

**Hon. Isaac D. Rankine:** Mr. Chair, before you proceed, I take the opportunity to thank my staff and release them from the Finance Committee, sir.

**The Chairman:** Thank you very much, Honourable Minister.

**Hon. Isaac D. Rankine:** Thank you.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Mr. Chairman, I too want to thank them for all their hard work on behalf of all the Caymanians from the Opposition side as well.

**Hon. Isaac D. Rankine:** Thank you, sir.

#### **PAH 24 – Agriculture Support and Regulatory Services**

**The Chairman:** PAH 24 - Agriculture Support and Regulatory Services for a supplementary request in the amount of \$1,500,000. Are there any questions on this item? Member for Cayman Brac East.

**Hon. Juliana Y. O'Connor-Connolly:** Thank you, Mr. Chairman.

We thank the Minister for his arduous work and his interest in agriculture and his pursuit toward national food security. In saying so, I wonder if the Minister could give an undertaking to look at the inventory for the Cayman Brac office in particular for obvious reasons — it's my constituency along with my colleague from across the way — as far as it relates to

inventory for fertilisers, seeds, containers. Often, it's like pulling teeth really, to keep on farming. It has proven a great difficulty, so we would appreciate it. Sorry, go ahead.

**The Chairman:** Can you give that undertaking, Honourable Minister?

**Hon. Johany S. Ebanks:** Mr. Chair, through you. I give that undertaking to ensure that everything in the Brac is fully serviced and satisfactory to the customers up there. I do want to apologise to you and any farmers who are going through any shortfalls due to inventory not getting to the Brac. I have the Director with me now and I'm sure he'll make a note of that, so it doesn't happen in the future.

**Hon. Juliana Y. O'Connor-Connolly:** I appreciate that. I normally wouldn't have asked that on air, but I know if I'm going through it, the rest are going through it.

For me to get fertiliser I had to go to Lower Valley and ship it up by bins, and you know the extra costs and the weight that you have; and there's only a short season when you have to plant certain things, since we don't have a long winter, so I'd be very appreciative on behalf of the farming community there if we could get that assistance. I see the Director and the Minister acquiescing, so I'm very grateful, Mr. Chair.

**The Chairman:** All those in favour of supplementary—

**Mr. Christopher S. Saunders:** No, no. Hmm, mm.

**The Chairman:** Member for Bodden Town West.

**Mr. Christopher S. Saunders:** Thank you very much, Mr. Chairman.

Mr. Chairman, through you to the Minister. There has been an outstanding issue with regard to accounts receivable owed by many farmers. I think it is several hundred thousand in funds that we recognise will never be repaid. I know we had discussions in the past about Government probably just writing off a large portion of that because some of this debt goes way back and those farmers will be in no position to ever repay that amount. Rather than us keeping it over their heads and having it on the books, is there something we're still looking at to write that off or just get rid of it?

**The Chairman:** Honourable Minister.

**Hon. Johany S. Ebanks:** Mr. Chair, through you. I want to thank the honourable Member for bringing that back up. As he knows, that's something that I've been working on for several years now, and I've brought it forward. I anticipate bringing it forward to the new Government and seeing how we can actually work that out, because yes, it is something that needs to be done.

As you may [be] aware, Member for Bodden Town West, it is something I was trying to get done, I think, from when you were there as Minister of Finance.

**Mr. Christopher S. Saunders:** You know who stopped it. You know if it was me I would have written it off already.

Mr. Chairman through you, just a quick question. Something I was made to understand is that things aren't shipped directly from Central and South America to the Cayman Islands is because of the food inspection regime; they basically try to get things through the US where they have more robust inspections on food and produce and so forth. Is that the case, or are we now looking at boosting or augmenting the food inspection process here so we can get stuff from Central and South America, so rather than bypassing the Cayman Islands it can come here much fresher and less expensive?

**Hon. Johany S. Ebanks:** Mr. Chair, through you. I'm listening to the Member and I'm thinking you're not talking about agricultural supplies directly; you're talking more about general food products for the Island itself.

**Mr. Christopher S. Saunders:** That is correct.

**Hon. Johany S. Ebanks:** Mr. Chair, the Deputy Premier and I, because he is the Minister for Trade, have been in talks and we're looking at locations in Central and South America and working along with some of our stakeholders here [to see] how we can actually start to do more trading with South America. One of the biggest challenges we're facing is the logistics side of it and making sure that we get the ships actually sailing to the Cayman Islands. I think we've come up with some solutions for how we can figure out the logistics side, and we're actually looking to plan a trip shortly to South America. If the Deputy Premier wants to speak about it...

We do have some individuals bringing in food who want us to look at areas like Brazil, Colombia, Nicaragua, and even Mexico; those were some of the countries some of our stakeholders said they get much of their produce from instead of having to go into the US and then sail back to us. Seeing that our neighbouring country, Jamaica, has one of the largest ports in the Caribbean, many of these ships actually sail into Jamaica, where the larger vessels are able to offload to a smaller vessel that could come to the Cayman Islands without going through the US.

We're going to start engaging with other countries in South America to see how we can actually get that going. It's a partnership with the Deputy Premier and I know he's already put a group together. We're also working with the Chamber of Commerce and they have spotted other locations they think we should be looking into, so it is a collective approach as

to how we're going to deal with food security. Not only food security, but how we can actually get building materials and other stuff [from] elsewhere.

It's all in the making and I'm hoping that in the later part of this year and into the New Year we will be fully running, trying to open up many more of these areas.

**Mr. Christopher S. Saunders:** Mr. Chairman, through you. I want to thank the Minister for that response and jog the memory of honourable Members of this Parliament. Several months ago, quite some time ago I believe, it made the Jamaica news how a container of chickens fell overboard and washed ashore in Jamaica. When I did my research, being curious as I was, I found out the ship was actually coming from Brazil and those chickens were actually destined for Cayman.

Of course, I could not help myself but go on the Brazilian websites and start searching for the price of chicken in Brazil. Seeing what is there, and factoring the shipping costs, et cetera, and recognising that chicken is duty free, I then looked at the price at which it landed on the shelves and I just couldn't quite believe it. The bottom line is that it's already happening. Importers are already bringing in chickens from Brazil— and like I said, I thank the Jamaicans for their news service in that regard. When I asked why more stuff wasn't coming from Central and South America, I was told that they relied on the US for inspection purposes because they have a much stronger regime and it was something we were looking to strengthen.

Ultimately, recognising that we depend heavily on the US FDA [US Food and Drug Administration] to do many inspections for us and everything else, is the situation now where we are looking to set up our own? Or, as you said, if we're going to go via Jamaica, trust or look at the inspection process in Jamaica, or even other ports that really have the ability to test the quality of the goods that we are importing because I can tell you upfront, that I strongly believe the preservatives in many of these foods are one of the reasons why there are such high cancer rates in Cayman, and I stick by that.

In terms of our own inspection regime, I would be curious to see whether it's something that we will be looking to set up that can aid us in bringing in goods because we have also heard stories about the lack of quality in some of these jurisdictions; the lack of their own regulatory environment. What we don't want to do is import substandard food or materials into the Cayman Islands. The question is: is it something that we are looking to do?

**The Chairman:** Honourable Minister.

**Hon. Johany S. Ebanks:** Mr. Chair, I thank the Member for narrowing it down to one question afterwards.

Mr. Chair, he's absolutely right about everything he said and about the container that fell off in Jamaica. It was coming from Brazil and was headed to the Cayman Islands. We do import a lot of chicken from Brazil and the numbers actually pan out significantly better coming from that direction, but there are concerns also. Why we continue to have a strict inspection regime is that certain areas of Brazil actually have bird flu now, so we have to be very careful with what we bring from those areas, but

However, yes, we are looking; I have a motivated Director of Agriculture, he's big on food security, and we want to continue to push.

*[Desk thumping]*

**Hon. Johany S. Ebanks:** I can tell you, he has already been doing much of the research for us on how we can actually start to move food security. There is not one day out of the month that I do not get a text or a call from him saying something that we should be looking into when it comes to food security. As the director, he will also play a part in how we inspect the locations we are going to be importing from.

There will [also] be amendments to the agriculture law coming to Parliament shortly and not only agriculture, but the veterinary law, the animal law, the pesticide laws, a few of them are going to be coming here so we can start to work on being able to get more food from that direction and try to eliminate as much of what I would always call the "red tape" that's in our way. We started with Honduras; we actually put the logistics in and had the ship moving back and forth but, again, another stage is that we need to be able to inspect the agricultural areas where we're getting the food from.

I think in the future, what we would love to do is see that those farms, those areas that have already been certified by FDA and are going to the US - I don't see why they can't come straight to the Cayman Islands, right? They're going into the US, getting repackaged there, and then coming back to the Cayman Islands. If you think about the sail time, sometimes it's going from Brazil, not stopping in Jamaica, but actually going straight to the US; stuff could be sitting in these containers for weeks before they hit our shores.

The Government is serious about food security. The Deputy Premier and I have already engaged and we are moving, and I can guarantee you that there will be some exciting news about food security coming out just around the corner.

**Mr. Christopher S. Saunders:** Thank you very much, Minister.

Mr. Chairman, I want to thank the Minister because I do have much confidence in him. May I also ask him, while he's exploring these other opportunities, to look at solar panels and hurricane shutters,

especially for seniors? Every year when we get these scares, we spend a tonne-load of money buying boards for people when we might as well just make the investment, especially for seniors, and get proper hurricane shutters on their windows, so at least they can be protected.

Thank you very much, Minister. I appreciate it.

**The Chairman:** All those in favour of supplementary expenditure with respect to PAH 24 - Agriculture Support and Regulatory Services for an amount of \$1,500,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: PAH 24 passed.**

### **EA 9 – Land Purchase: Gazetted Claims**

**The Chairman:** EA 9 – Land Purchase: Gazetted Claims for an amount of \$800,000. It's open for questions. Are there any questions? Honourable Deputy Leader of the Opposition.

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

Mr. Chairman, as the first line of questioning for this area, I want to go back to the original question which has to do with the George Town Primary School. As I highlighted earlier, the Honourable Minister has been very supportive in working with Members on this side to let us know updates as to road work expansion, but this has to do with Gazette claims.

The road gazette claims I speak of is literally right behind the George Town Primary School. From the previous plans, as I recall, the lands that are going to be acquired are larger than what would necessarily be needed; I don't know by what ratio, but I am proposing that if the road size is small enough, whereby it allows for any leftover land to be added to the George Town Primary School property, whether the Government would be interested in transferring such onto that one major block.

In my tour of the school that I spoke about, with flooding, the main problems we have are access to George Town Primary School and the difficulties for where kids can sit around or wait for school to start. Even if it was just an extra 10 feet onto the far back of the property, it could open up many safer recreation opportunities for the children than they have now. Currently, on their break times they have to go outside on the artificial field which is very, very hot for the children, but they have no choice but to do so.

I don't know if the Minister can opine on the Gazette land in the back and where they're at with that.

**The Chairman:** Honourable Minister.

**Hon. Johany S. Ebanks:** Mr. Chair, through you. I think the Chief Officer for Education answered earlier about the drainage issues you were having at the school.

Mr. Chair, I can say that I will be led by you as the Minister of Education to look at the school to see whether it's something they feel is needed. I guess the Principal will be able to speak to the Chief Officer and if it's something they think is necessary, he can put in the request.

I can tell you that from a roads' aspect, if we do have land left over on our side I don't see why it could not benefit the school for drainage; but again, it's under Education. If the Minister of Education thinks it is needed, then yes, from the NRA [National Roads Authority] side, it is something that I feel we would be able to support and help facilitate in any way.

**The Chairman:** Just to say that once all these works are done, we will be looking collaboratively to ensure that as we build new classroom blocks similar in style to the newest classroom blocks, which I am confident that the Honourable Deputy Leader of the Opposition will agree was an excellent addition to the school, [we will be] creating more space for those style buildings so that we phase and have a new school over the medium term. This would certainly be one way of alleviating the stress on the current campus by getting lands right next door. That would certainly be something we would have to look at favourably and work collectively with the NRA.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chairman. If you take a look at where the road is on the map, I think it would be obvious to you what needs to be done.

**Hon. Johany S. Ebanks:** Mr. Chair, quickly — this is why I say I have some of the best team members. I've just been reliably informed by my team that plans are to use that little section of land for drainage to help the school.

**The Chairman:** Thank you, Minister.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you so much, Mr. Chairman and the Minister for that answer.

Mr. Chairman, I want to talk about something that I think the Minister and I would agree on, along with other members of this Committee. It has to do with the appropriation name itself - Gazetted Claims. I just want to know if the Minister has any viewpoints on how gazette claims are paid, because what we have is a number of properties that were gazetted for road purposes 10-20 years ago. When it's time to pay, they're using valuations of the property when the



gazetting happened, as opposed to when they're paying for it. A piece of property's valuation 10-20 years ago is going to be totally different than when the Government actually pays for it.

Is the Minister of a mind to say what the Government's position is on this area of concern?

**Hon. Johany S. Ebanks:** Mr. Chair, through you. The Member for George Town Central is right with what he just said.

When we look at land claims from when the gazetting was done versus when the road is actually being built and the land taken, it is actually done at that time, but it is something that we know has been a pet peeve. I've seen it. Going back, I can tell you there are roads that I've been cleaning up and paying people back where it has been almost 15 years that they have been waiting on their funds; where Government has actually taken the gazetted roads on their land and [they] weren't able to get paid. I've been working very hard to try to clean that up.

Mr. Chair, through you. I can tell you that many of the new roads that we have actually been doing, we have been trying to keep up with them as drastically as we can to ensure that we are paying individuals right at the time that we're gazetting the roads. However, there's a section of the law that needs to be amended to do exactly what the Member asked earlier so that no matter what time, if we take the road now and we don't build the road for another 20 years, the person who owns the property should be able to get paid at the valued price 20 years later, not from the time when we took the road.

He is right, many times we gazette roads and individuals could have done something with that property. I remember a lady whom we helped. Fifteen years she sat knowing that a road was going to cross her house and couldn't really do anything with her yard; yet, no Government took it upon [themselves] to actually pay because it wasn't in the law to allow them to pay her right away, so yes, Mr. Chair, it is something we are looking forward to changing when it comes to the NRA and a law [amendment] is coming up.

I think we will also have to look at a section from the Lands Law of how that is done. I can give you that guarantee that we've already exhausted that topic and it's something we are looking forward to.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Mr. Chairman, I want to say thank you so much to the Minister, and he has our full support in respect to this area. It's a concern that the official Opposition shares.

Can I just ask the Minister whether he is confident because I know there are a number of gazette claims outstanding even within the last administration? One that comes to mind is a family that has been gracious to Government and haven't decided to cause any problems — take us to court, or anything like that,

[for] the new roundabout on Bobby Thompson highway that the Minister made. The family has expressed that their land is compulsorily acquired by the Roads Law and their difficulty in getting paid.

Now, the Minister had to acquire ample land in order to do the work. I just want to know that the Minister will be fully supported and his budget funded while you go through the budget process, for him to be able to pay those families the money outstanding. As you try to balance the process, I know that he needs the money because we all agree that roadwork is necessary and he has to acquire Caymanian property, but he can't pay them if this budget line item isn't topped up appropriately. Even based on the revised position of \$2 million from what it was originally at \$829,000, I don't think we are taking it seriously to pay people for their property once it's acquired.

Mr. Chairman, Minister, I'm encouraging the Government to support the Minister in his budget because it will be a criticism if the budget comes here — I'm assuming in November or potentially at the end of October — and this is not adequately funded knowing there are outstanding payments to Caymanian families, and I only mentioned one because everybody knows the Bobby Thompson roundabout. I hope the Minister can be confident in giving us the comfort of saying he will be supported for the upcoming budget. Maybe he could opine on that.

**The Chairman:** Thank you, Member. He is supported.

All those in favour of supplementary expenditure with respect to EA 9 – Land Purchase: Gazetted Claims for an amount of \$800,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: EA 9 passed.**

**The Chairman:** Members, we're coming up on an item that requires a Motion to be moved, and we are moving well, so let us see how much more we can get done; however, I crave your indulgence — Can we stay in our seats just for a two-minute pause?

**Committee suspended at 3:56pm.**

**Committee resumed at 4:05pm**

**The Chairman:** I would like to call this meeting of Finance Committee back to order. Please be seated.

#### **MOTION FOR DISBURSEMENT FROM THE ENVIRONMENTAL PROTECTION FUND**

**The Chairman:** Members, we have reached EA 146 - Land Purchase Conservation.

*[Inaudible interjection]*

**The Chairman:** Minister, I understand the position, but quite honestly, it's a very simple Motion. I don't see it as controversial. I don't believe there's going to be any major debate around this particular item, so I'd rather just take it now. My proposal is [that] the Minister moves the Motion, we take any questions on the item, and proceed to vote on the item.

I call on the Minister responsible for lands to move the Motion that would authorise the Finance Committee to appropriate funds from the Environmental Protection Fund (EPF) to expend for environmental purposes, to proceed with the Motion.

**Hon. Johany S. Ebanks:** Thank you, Mr. Chair.

**"Disbursements from the Environmental Protection Fund.**

**WHEREAS the Environmental Protection Fund (the Fund) was created on the 10<sup>th</sup> December, 1997 by Government Motion No. 14/97 for the purpose of "defraying the expenditures incurred in protecting and preserving the environment of the Islands";**

**AND WHEREAS it is required "that disbursements from the Fund may only be made in accordance with the resolution made by Finance Committee, and under the authority of the Minister for Finance, for the purpose of defraying expenditure incurred in protecting and preserving the environment of the Islands";**

**AND WHEREAS at the 31<sup>st</sup> August, 2025, the balance of the Fund was CI\$44,190,000;**

**AND WHEREAS the Government is seeking approval in the 2025 Financial Year for a further additional amount shown on the overleaf schedule, of \$5.5 million that represent intended expenditures to be incurred with respect to protecting and preserving the environment of the Islands, being met by disbursements from the Fund;**

**BE IT NOW THEREFORE RESOLVED THAT:**

-

1. the expenditures shown on the overleaf schedule, totalling \$5.5 million that are expected to be incurred in the 2025 Financial Year to be recognised as being in the interest of protecting and preserving the environment of the Islands; and
2. that the Minister for Finance be authorised to disburse up to \$5.5 million from the Environmental Protection Fund to cover expenditures to be incurred with respect to the matters of the overleaf schedule."

**The Chairman:** Members of the Committee, as you know, in Committee you don't need a seconder of

motions; however, the Motion has been moved and the Motion is in respect to expenditures of up to \$5,500,000 to purchase lands at Block 111A Parcels 73 and 13-68 located on Cayman Brac East. For clarity, the current balance in the Environmental Protection Fund stands at \$44,190,000 as at 31<sup>st</sup> August, 2025. Does any Member wish to speak to the Motion? Deputy Leader of the Opposition.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chairman. Forgive my bad memory. I know this is a Motion but are we going to assume it just like a line of questioning?

*[Inaudible response]*

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, I'll ask the question afterwards and just speak to the Motion now.

Mr. Chairman, obviously members in the Opposition are very happy that the Government finds itself in a position to acquire this asset as it's a very important land mass. I think all members in our community are very happy knowing the importance of the lighthouse area in Cayman Brac, which is seen and traversed by locals and our tourism visitors alike; but Mr. Chair, there is an acknowledgement that the previous administration already purchased the land immediately surrounding the lighthouse.

By all means, that doesn't mean we are not in support of further acquiring even more land around it because if my memory serves me well, I think at one point the proposal of potentially buying the surrounding areas was before us also, but we were not in a financial position at the time to do so. Bearing in mind that it is being acquired using this very special fund for environmental purposes, I think it would be important for the Minister to opine on whether or not there will be restrictions on this purchase — which normally come with any purchases made with this fund because it is an Environmental Protection Fund.

Are we, the Opposition, as well as the public, to assume that it will be only for environmental protection purposes and how severe is that? The reason I say that is not because I don't think it should have the necessary protections on it, not just for random development, but in light of conservation working hand in hand with tourism, there may be opportunities to expand the lighthouse a bit further as an attraction, so it would be important to know if there are going to be restrictions on this purchase [as a result of] using this fund and what they would be; and also, clarity as to whether the purchase has been done, because the information in the public domain is [that] the land is already bought.

**Hon. Johany S. Ebanks:** Mr. Chair, I want to clarify that this is why we're here today and the longer we take to vote on this, the longer it takes me to get the money

to the [seller]. What we can say for clarity is that the land is under contract and there was a deposit on the property. If we can get past this, maybe I can get those people a cheque by the end of the week.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** I thank you.

Mr. Chairman, I asked earlier. You know how much I love my brother; tremendously. I don't want to get in a battle with him, but I asked how the procedure was going to go in respect to this Finance Committee Motion, whether we were going to do back and forth questioning or a straight delivery, so I was just trying to deliver all of my remarks in a Motion contribution. Would you opine on how we're going to go? Is it going to be a back and forth or do I finish my contribution and ask the questions after?

**The Chairman:** Honourable member, the Motion enables the Government to proceed with using the EPF to disburse the funds. The intent was simply to have the Motion debated, and then have detailed questioning on the appropriation itself.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chairman. I'll proceed, then.

In light of the question as to whether the land was already acquired, the importance of finding out that information is because there's been much talk about the Government's financial position. We all know about the magical \$60 million deficit position, which today we are hearing we're going to have a \$10 million surplus without a proper explanation as to what—

**Hon. Johany S. Ebanks:** Mr. Chairman.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Mr. Chairman, I do not expect, in this line of delivery on a Motion, to be interrupted. No disrespect to the Honourable Minister, but I asked before as to the process — whether this is a Motion or a line of questioning. I'm not sure, unless you want me to give way?

**Hon. Johany S. Ebanks:** Mr. Chair, are we debating the Motion?

**The Chairman:** Honourable Minister, members can offer their debate. You moved the Motion, so you have the right of reply.

[Pause]

**The Chairman:** Proceed with the debate on the Motion.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you.

**The Chairman:** And member, while I have been giving wide latitude, can you ensure that your comments are relevant.

The Government's financial position is irrelevant to this because we are using the EPF. This has nothing to do with surplus or deficit. This is a restricted fund. The restricted funds do not come into things like days' cash, et cetera; hence the reason we are using this vehicle, so if you could keep your comments within that context.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Well, Mr. Chairman, I respect that, but we also know the scope of debate.

The Honourable Minister interjected the Government's financial position by saying they used a deposit from the government's current funds, not from this environmental fund. He opened the line of debate as per the Standing Orders, Mr. Chairman, so I think I'm within my right to go down that road; but I will take your guidance and try to stay away from the Government's magical disappearance of \$60 million, to a \$10 million [surplus] now —

**The Chairman:** Thank you.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** —but I'm quite sure you will answer how you got there eventually.

Mr. Chairman, I'm happy to hear it was under contract because there was a level of confusion as to where the money came from, which we now know. We hope to find out exactly what those restrictions will be, as it says to preserve natural habitat, wildlife and ecological integrity, which of course we here in the Opposition support. I know the position of using these funds for the acquisition of this land probably did not come from the Minister directly, but from the wider Caucus so down the line in his wrap up I would like to know what the restrictions will be.

Mr. Chairman, I think it's fair to say that we all here in the Opposition support this Motion and would just like to further details from the Honourable Minister. We are happy to know that the Government is willing to use the EPF fund in this way, as there are other locations, other protected areas, that the Government may be willing to use [it] for as well.

Thank you, Mr. Chair. That's my contribution; I look forward to asking more questions when we get to the line item itself. Thank you.

**The Chairman:** Thank you, honourable member. Does any other member wish to speak to the Motion? Member for Cayman Brac East.

**Hon. Juliana Y. O'Connor-Connolly:** Thank you, Mr. Chair. Just briefly on behalf of the people of Cayman Brac East in particular and generally the Sister Island, we wish to thank the Government for pursuing this

interest of acquisition of very important property, not just in Cayman Brac but throughout the Cayman Islands, in this instance Cayman Brac East.

I must say that I'm grateful to Lands and Survey for the appropriate demarcation which clearly identified that the immediate surrounding areas of the lighthouse were purchased by the previous Government so there's no divergence of importance of acquiring properties for our people. In addition to that, Mr. Chairman, although the five acres that were purchased right where the picture was taken to indicate that the lighthouse had been purchased were not an easy acquisition, I wish to go on record in thanking Mr. Wilbur and my team at Lands and Survey at the time, because we ended up having to buy 55 acres off of Peter's Road in order to get them to agree to sell us the 5 acres around the lighthouse; so it wasn't for want of trying, but we have to crawl before we walk.

I commend the Government for continuing, and would also like to go on record to ask the Government to consider in due time a similar utilisation of the EPF if they are not successful in getting a barter arrangement as it relates to the Barker's area in West Bay, as that was very near and dear to my heart and for the previous Government, many of whom are now sitting across the aisle.

*[Desk thumping]*

**Hon. Juliana Y. O'Connor-Connolly:** Mr. Chairman, I believe much more would be accomplished when we take this collaborative approach, regardless of whether it's in Cayman Brac or the lighthouse in West Bay, because at the end of the day it is for the benefit of our people. I commend the Government in this regard and it has my full support.

**The Chairman:** Thank you very much. Does any other Member wish to speak? Honourable Premier.

**The Premier, Hon. André M. Ebanks:** Thank you, Mr. Chair. Through you: I'd like to thank the Member for Cayman Brac East for those comments. We were completely agnostic about who pursued it before. It was simply the right thing to do. We saw the trail you left; we picked up on that trail and decided this is the right thing to do.

I'm sure the Minister in his right of reply will answer the Member for George Town Central's comments in relation to how it may be treated going forward; but as an overall comment on behalf of the Government, we are actively looking at other pieces of land and using this fund in this way for preservation and protection. In particular, you would know that it's near and dear to my heart to figure out what we can do in relation to Barker's and our people in West Bay.

We are going to be assertive not only in the rest of this calendar year, this fiscal year, but also in the

budget going forward. It is high time that we secure more land for our people.

**The Chairman:** Thank you, Premier.

Does any other Member wish to speak?

*[Pause]* Does any other Member wish to speak?

*[Pause]* Does any other Member wish to speak?

*[Pause]*

If no other Member wishes to speak, does the Minister wish to exercise his right of reply to wrap up the debate on the Motion in Finance Committee?

**Hon. Johany S. Ebanks:** No, sir.

**The Chairman:** That being not said—

*[Laughter]*

**The Chairman:** I put the question that we authorise the Ministry of Finance to utilise the Environmental Protection Fund in an amount up to \$5,500,000 to secure the purchase of lands demarcated Block 111A Parcels 73 and 13-68, located on Cayman Brac East. All those in favour, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it. The authority of the Finance Committee to utilise the Environmental Protection Fund to acquire the said property has been passed.

**Agreed: Motion for disbursement from the Environmental Protection Fund passed.**

*[Desk thumping]*

#### **EA 146 - Land Purchase Conservation**

**The Chairman:** We will now revert to the agenda and given the Motion that has just passed, I hope for members' questions to be in the context that this item will be secured by utilising the Environmental Protection Fund. Are there any questions as it relates to EA 146 - Land Purchase Conservation for the amount of \$5,500,000?

Honourable Leader of the Opposition

**Hon. Joseph X. Hew, Leader of the Opposition, Elected Member for George Town North:** I was listening earlier and just want to clarify. I congratulate the Government on this 125 acres of undeveloped land, Block 111A Parcels 73 and 13-68, which surrounds what I understand to be Block 111A Parcel 72 that the lighthouse actually sits on, and was previously purchased by the Government.

**The Chairman:** Yes.

**Hon. Joseph X. Hew, Leader of the Opposition:** Okay, I just wanted to get it clear in my head and for the public to have the visual. Thank you.

**The Chairman:** Thank you.  
Honourable Deputy Leader of the Opposition.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chair. With that acknowledgement, is it fair to say that this administration did not buy the lighthouse itself?

**The Chairman:** Honourable Minister.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** A simple yes or no.

**Hon. Johany S. Ebanks:** Mr. Chair, the lighthouse is in Crown land already. The property we are talking about purchasing now is actually the property next to the lighthouse — next to the Crown property.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chair. I was hoping the Minister would respond to my concern in the Motion about the restrictions that would be placed on it, but as he didn't, I'm forced to ask the questions.

*[Inaudible interjection]*

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Fair enough.

Can the Minister say whether there are going to be any restrictions because sometimes you can use this fund for things that may not mandate a conservation component? I am certain that the honourable member for Savannah would want this clarified for the public's domain, so can the Minister say if there will be any restrictions specific to using this fund on this acquired land.

**The Chairman:** Honourable Minister.

**Hon. Johany S. Ebanks:** Mr. Chair, through you. At the time of the purchase of this property, there are no restrictions on the property. In the future, something may come forward; I don't know, but again: right now, at this point in time, there are none.

**The Chairman:** Just for clarity, you meant the Member for Newlands, not Savannah.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Correct, Mr. Chairman. I do apologise to the Member for Savannah. I was speaking to our former Premier, the Honourable Wayne Panton.

**The Chairman:** Thank you. I didn't want you mixing up the lady Member for Savannah, Ms. Bodden, in the crosstalk.

*[Laughter]*

**The Chairman:** All those in favour of supplementary expenditure with respect to—

**Hon. G. Wayne Panton, Elected Member for Newlands:** Mr. Chair, I want to offer clarification for a second in respect to the question.

If there are conditions or allocations of property in respect of the National Conservation Act, there is a very clear process which would involve public consultation over quite an extended period of time. It would be a completely separate process during which all members of the public, and indeed members of the Opposition, no doubt, would have the opportunity to comment on.

**The Chairman:** All those in favour of supplementary expenditure with respect to EA 146 - Land Purchase Conservation for an amount of \$5,500,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: EA 146 passed.**

#### **EA 148 – Major Road Works - Expansion Projects**

**The Chairman:** EA 148 – Major Road Works - Expansion Projects for an amount of \$8 million is being moved to be added as a supplementary appropriation. Are there any questions for this item? Honourable Leader of the Opposition.

**Hon. Joseph X. Hew, Leader of the Opposition:** Thank you, Mr. Chairman.

Mr. Chairman, I want to ask the Honourable Minister responsible for road works if he would be able to say whether there are any plans to repair or repave Bodden Road and Eastern Avenue, in particular from Kirk Home Centre to the Godfrey Nixon intersection?

These roads have endured a tremendous amount of use, stress — and distress, if I can call it that — from the quarry and cargo trucks going from the port to the CDC [Cargo Distribution Centre]. On Eastern Avenue, when you get in front of BritCay, if you have a cup of coffee in your hand you have to list it to the side so it doesn't pour out on your lap because you're actually driving in a groove the trucks have dug out from the weight of the aggregate, et cetera; and Bodden Road is almost down to raw material.

I only ask about those for now. Of course, when budget time comes we will have a list of other requests; but those two are in desperate need and in my consideration, are not considered district roads but major infrastructure roads supporting the port.

**The Chairman:** Honourable Minister.

**Hon. Johany S. Ebanks:** Mr. Chair, through you. I thought that question would come to me today just [from] having conversations and meetings with the Leader of the Opposition. I can say those two particular roads, Eastern Avenue and Bodden Road, are in the mix this year with this money we are allocating for.

With Eastern Avenue, we just need to go back and do some checks. The director and I had a conversation yesterday; he's checking with the telecoms to ensure they know that we are going to be doing that shortly [in case] there's anything they need to do before we actually go and pave it. I also asked them to reach out to my best friends, the water company, to ensure they are on board with us going through and paving those two sections of the road, so I can commit to him that yes, they are on the NRA's road works to get completed this year.

**The Chairman:** Thank you, Minister.

**Hon. Joseph X. Hew, Leader of the Opposition:** Mr. Chairman.

**The Chairman:** Honourable Leader of the Opposition.

**Hon. Joseph X. Hew, Leader of the Opposition:** Mr. Chairman, I would like to offer my thanks to the Honourable Minister and reiterate to him and his team that particularly Eastern Avenue is heavily used by pedestrians and cyclists, so I would encourage that wherever possible we have pedestrian and cyclist lanes.

**The Chairman:** Member for Bodden Town West.

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

Through you to the Honourable Minister. Can you give us an update on the East-West Arterial?

**Hon. Johany S. Ebanks:** Mr. Chair, through you. I can say today that the Environmental Impact Study has been completed and presented to Caucus. The next stage is to carry it to Cabinet and to move forward in the new budget cycle, once the money is allocated for them to start building the third phase of the East-West.

**Mr. Christopher S. Saunders:** Thank you very much, Mr. Minister.

**The Chairman:** Deputy Leader of the Opposition.

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

I want to ask the Minister with respect to some district roads, but in particular, the Crewe Road area.

The Minister may be aware that it's a residential area; unfortunately, it is in the central part of the district and highly trafficked in the mornings and evenings. Unfortunately, we have many dump trucks and heavy equipment driving through there, which is really not conducive for the area's residential component. I'm not sure if there's anything the Minister plans to do in respect to restricting that road to residential access only or limiting commercial access unless delivering commercial aggregate or supplies in that area, because it becomes not only a noise pollution issue for the area, but also a safety hazard, as the road is very narrow. Can the Minister opine on this?

**Hon. Johany S. Ebanks:** Mr. Chair, just to say that there would probably have to be a Motion or a Government policy to look at how we stop certain vehicles from going into certain areas.

If I were in the Opposition, I probably would have brought a Private Member's Motion asking for the Government to request that. The Government could take it under consideration from there. If the Member is asking for me to look into doing it for him, I have no problem doing some research with my team and seeing what it will take to do it. Whether it is an amendment to the Traffic Act or the NRA Act or whichever law it is, we would be happy to look into it.

Again, I just want to put it on record that he can bring a Private Member's Motion on that.

**The Chairman:** Thank you. Deputy Leader of the Opposition, do you have further questions in this area?

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Yes, I do. I want to thank the Minister. I definitely knew because of our strong relationship that I wouldn't need a Private Member's Motion and he would see the support; but if he's indicating that, maybe I should bring a Motion to allow the whole Government to opine on it but I think we're all in support of trying to ensure the safety of that area.

I'll go a bit further with the Crewe Road area. Most members may be aware that Crewe Road is a very narrow road. Many of the houses are very close to the edge and it being a residential area, you have many domestic workers, gardeners, and so forth who are not necessarily driving vehicles as well as kids walking home from school, making the whole of Crewe Road a serious traffic and safety risk. I've walked it. My team and I do Crewe Road clean-ups on the main road every three months and sometimes we are scared to get knocked over by cars.

I set the tone for that because I know there is an obligation whereby any new development on the main road of Crewe Road has to have a sidewalk installed. I want to ask the Government — call it a

Motion if you will, or maybe I should formally do a Motion—to seek out all the landowners on the Crewe Road stretch who may be willing to allow Government to install the sidewalk because once it is installed, the Government would have to purchase it in order for it to become Crown property. I think there are many families who may be willing to work with the NRA and the Minister to make Crewe Road much safer.

I am happy the Minister worked closely with me the last time to help a family of about seven elderly living on Crewe Road who were very scared every day of their lives going in and out of their property because it is on a sharp bend and it was so unsafe coming out into traffic. He was able to resolve that by installing a sidewalk there, knowing that it was only a matter of time before it had to be done. I'm asking him to take that approach on a holistic scale now with all of Crewe Road so that children and pedestrians in that area can be safer.

Sadly, this residential area is a highly trafficked road every single day of the week. I think there are more landowners there who would be willing to facilitate it if the government incurs the cost, which would eventually be theirs because the land would have to be transferred to the government anyway to put in a sidewalk so Crewe Road can be safer. If the Minister wants me to introduce him to the landowners, I'd be happy to do so.

If the Minister is willing to accept that as a Motion and give support to it, or if he indicates that I have to formally do a Motion, I'll do that too; but the safety of the people of Crewe road is at risk [including] the children and all those people who work in that area, as it's a residential zone.

**The Chairman:** Honourable Minister.

**Hon. Johany S. Ebanks:** Mr. Chair, through you. There is a section in the Constitution, namely 41(3), [SIC] whereby if an electoral district is not represented in the Cabinet, the Member is entitled to come to the Government. I think it is time for him to use 47(3) now, so that we can see how we can actually put it in the budget.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Mr. Chairman, I want to say thank you so much to the Minister for that. As we are aware, we have a meeting tomorrow thanks to the Honourable Premier himself; I will formally make the request so the necessary funding for those Crewe Road sidewalks can appear in the budget. I thank the Minister for that.

Thank you.

**The Chairman:** All those in favour of supplementary expenditure with respect—

**Mr. A. Roy Tatum:** Mr. Chair, this way, sir.

Mr. Chair, the Honourable Minister mentioned the utility companies earlier on. I want to thank him.

A few months back, I raised a concern about a number of roads that had been dug up by utility companies and were left for a while; all those have now been repaired and I'm extremely happy that it has happened. At the same meeting, we discussed the Biminy Drive connector and he gave a very fulsome answer. I ask him again what I asked then: appreciating that road may not be finished anytime soon, if the pass through there could at least be made more drivable, I think it would be greatly appreciated. I will make that ask one more time.

I did send a note to him that I look forward to an opportunity when he has a chance to actually drive through some of the roads in Red Bay just to have a look at some of the ones that do need work. I sent him a list of those and I understand that they might get looked at.

I thank him for the repairs that have been done by the utility companies and I will end with those comments.

**The Chairman:** Thank you.

All those in favour of supplementary expenditure with respect to EA 148 – Major Roadworks - Expansion Projects for an amount of \$8 million being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: EA 148 passed.**

#### **EA 161 – Submarine Cable**

**The Chairman:** EA 161 – Submarine Cable for an amount of \$5,400,000 supplementary appropriation is being sought. Are there any questions for this item? Member for Bodden Town West.

**Mr. Christopher S. Saunders:** Thank you very much, Mr. Chairman.

Through you Mr. Chairman, to the Honourable Minister. Can you give us an update in terms of when you expect the tendering process and final business plan will be completed?

**The Chairman:** Honourable Minister.

**Hon. Johany S. Ebanks:** Mr. Chair, through you. I am hoping that process will be able to take place once we have this funding in place so that he can move to the next stage with the RFP [request for proposal] going out so we can actually see what the appetite looks like when it comes to the cables out there. I'm keeping my fingers crossed, hoping that by the end of this year.

**The Chairman:** Member for Bodden Town West.

**Mr. Christopher S. Saunders:** Thank you very much, Mr. Minister.

Mr. Chairman, through you to the Honourable Minister. Are we looking to own this cable outright or are we looking to do a partnership with the private sector?

**The Chairman:** Honourable Minister.

**Hon. Johany S. Ebanks:** Mr. Chair, through you. At the moment we are looking to do a partnership. What we are looking for is a spur off the cables. We know there are a number of cables coming down the pipeline shortly, so we're anxious to get this RFP out so we can know what it's going to look like and how much it's going to cost the country. When we looked at owning the cable at the start, the numbers were coming in very high. That's why we switched from owning to actually looking at a private partnership.

**Mr. Christopher S. Saunders:** Thank you very much, Mr. Minister.

Through you, Mr. Chairman to the Honourable Minister. When you say the numbers were coming in very high, what kind of numbers are we talking about?

**Hon. Johany S. Ebanks:** Mr. Chair, through you. I don't want to quote any numbers off the top of my head that I don't know to be exact, but I know they were very high at the time. If the Member is okay with it, I am happy to provide them in writing for him so nobody says that I'm out there "misleading them with numbers."

**Mr. Christopher S. Saunders:** That's fine, if you don't have the numbers. Actually, we are meeting tomorrow afternoon so we can discuss this further offline. That's fine, we can have it in our meeting tomorrow.

**Hon. Johany S. Ebanks:** *I will be happy to give you all of the numbers tomorrow, sir.*

**Mr. Christopher S. Saunders:** Excellent, thanks.

**Hon. Johany S. Ebanks:** I'm pretty sure my team is listening and they're putting it together as we speak.

**Mr. Christopher S. Saunders:** All right, cool.

**The Chairman:** All those in favour of supplementary expenditure with respect to—

**Hon. Juliana Y. O'Connor-Connolly:** Mr. Chair, sorry. I won't be long, I promise.

**The Chairman:** My apologies.

**Hon. Juliana Y. O'Connor-Connolly:** Just to inquire, which should not be a surprise. There have been talks

back and forth, so the Minister is quite aware, relating to a spur. Would it now also include the Sister Islands? Thank you.

**Hon. Johany S. Ebanks:** Mr. Chair, through you. It would be very hard for us to forget the Sister Islands. As we started this venture, we have always included the Sister Islands in it and my colleague for Cayman Brac West has always advocated that the Sister Islands not be left out so yes, this spur will go to the Sister Islands.

**Hon. Juliana Y. O'Connor-Connolly:** Thank you, Mr. Chair. Without deferring from the Honourable Minister's response: Having been around this circus for a little while, I expect no less than for him to extend his hand to the Member for Cayman Brac West to say he's supported. I'd be surprised if he didn't.

**Hon. Johany S. Ebanks:** Mr. Chair, through you. I want to thank not only the Member for Cayman Brac West, but also the Member for Cayman Brac East because she was there from the start always advocating for Cayman Brac. I can say that Cayman Brac is still being advocated [for] at the table, guaranteeing that the cable will come to the Brac also.

**The Chairman:** All those in favour of supplementary expenditure with respect to EA 161 – Submarine Cable for an amount of \$5,400,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: EA 161 passed.**

**Hon. Johany S. Ebanks:** Mr. Chair, I quickly want to thank my team from the Ministry that has been here with us. As you can see, they have prepped me well so there were no questions for them directly. I want to thank them for always being here with me. I want to thank the Chief Officer, Deputy Chief Officers, the CFO, and all the policy officers who are here. Thank you, all.

### **EI 1 – Cayman Airways Limited**

**The Chairman:** EI 1 – Cayman Airways Limited for an equity investment into Cayman Airways Limited in the amount of \$12,700,000. Are there any questions on this item?

**Mr. Christopher S. Saunders:** Yes, sir.

**The Chairman:** Member for Bodden Town West.

**Mr. Christopher S. Saunders:** Thank you very much, Mr. Chairman.



Mr. Chairman, through you to the Honourable Minister. Can we get a breakdown of exactly what this \$12.7 million will be covering — what is operational versus what is debt servicing?

**Hon. Gary B. Rutty, Deputy Premier, Minister of Tourism and Trade Development, Elected Member for George Town South:** Mr. Chairman through you.

Thank you very much, Member for Bodden Town West. The breakdown will be:

- \$3 million for an equity investment shortfall;
- \$1.6 million that was over budgeted;
- \$0.7 million for third party airline handling service;
- scheduled heavy maintenance variance of \$1.6 [million]; and
- \$5.8 million in a longstanding liability to the Cayman Islands Airports Authority.

**Mr. Christopher S. Saunders:** Thanks very much Honourable Deputy Premier. In terms of the \$3 million shortfall, what exactly did that cover? Just [give] a breakdown.

**Hon. Gary B. Rutty, Deputy Premier:** That was unfunded from the 2023 budget. It went from \$12.1 million to \$9.1 million for the 2025 years, sir.

**Mr. Christopher S. Saunders:** Thanks very much for that, Honourable Deputy Premier.

You said \$1.6 million over budget, what was that for?

**Hon. Gary B. Rutty, Deputy Premier:** Through you, Mr. Chairman. That has to do with the COLA [Cost of Living Adjustment] and the honorarium that was given in December 2024.

**Mr. Christopher S. Saunders:** Now, I'm going to make a bold proposition here, Mr. Chairman, through you to the Honourable Deputy Premier.

This goes back to the issue I've had in terms of the PAA [Public Authorities Act] whereby everybody is trying to harmonise and the unintended consequences and costs that we have. Something I propose — because if we want to have some level of equity, I think it has to be across the board.

If the employees at Cayman Airways are receiving certain benefits that the government employee isn't getting — and I know there is a matrix out there of who and who is getting what, but I'm actually going to propose something to consider, Mr. Chairman through you: That at a minimum, civil servants on the three lowest scales, at least, get some kind of flight benefits, even if it's once per year. A 50 percent reduction on an airline ticket or something to at least have some level of equity between government companies versus non-government companies' benefits. I think they are putting in the same thing. If we

have some kind of equity in the game, I think some of the benefits need to be [considered]. I think even for the national airline, one ticket annually at least at a 50 per cent discount for the three lowest employment grades in government is actually worth considering as a benefit to the wider public service.

Honourable Deputy Premier, I leave it for you and your team to consider whether it is something worth looking at to help the many other civil servants.

**Hon. Gary B. Rutty, Deputy Premier:** Mr. Chairman through you. I thank you very much for that consideration; I will speak with my colleagues about it as well, sir.

**Hon. Juliana Y. O'Connor-Connolly:** Mr. Chairman, while we all are riding this Caymanian horse, I would hope it would be part of the consideration that they would need to be Caymanian to get the benefit.

**Mr. Christopher S. Saunders:** That's if they give it.

**Hon. Gary B. Rutty, Deputy Premier:** Thank you very much Member for Cayman Brac East. I appreciate that.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Through you, Mr. Chairman to the Minister. I apologise, I had to excuse myself so I didn't hear all his reasoning for the \$12 million, but I think I heard the latter part was to cover the increase in the COLA as well as the honorarium and the total [additional] amount needed for 2025 was \$12,000,700.

**Hon. Gary B. Rutty, Deputy Premier:** It is \$12.7 million total, sir.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Can you break down for me what areas that \$12.7 million need to go to, please?

**Hon. Gary B. Rutty, Deputy Premier:** Yes, sir. \$6.92 million is for Cayman Airways to meet its ongoing financial obligations, which are:

- \$3 million from an equity investment shortfall in the budget between 2024 and 2025;
- \$1.6 million over budget and staff costs, which were the COLA and the honorarium;
- \$0.7 million for third party airline handling services; and
- \$1.6 million variance for scheduled heavy maintenance.

That came up to \$12.7 million, sir.

*[Inaudible interjection]*

**Hon. Gary B. Rutty, Deputy Premier:** My apologies; \$5.8 million in historical outstanding liability dating back to 2015 to the Cayman Islands Airports Authority.

*[Crosstalk]*

**The Chairman:** The \$6.9 million plus the \$5.8 million gives you the \$12.7 million. He broke out the \$6.9 million.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** *Gotcha.*

**Hon. Joseph X. Hew, Leader of the Opposition:** Mr. Chairman, through you to the honourable member. At \$6.9 million, that puts us at about \$16 million for the year if you remove the long-standing \$5.8 million liability to the Airports Authority. Does the honourable member have an idea how much of this will be the standard cost for operating Cayman Airways going forward? What are we expecting for 2026-2027 as far as the government equity injections into Cayman Airways?

**The Chairman:** Honourable Minister.

**Hon. Gary B. Rutty, Deputy Premier:** Thank you for that question. We've budgeted \$12 million for 2026 and \$10 million as equity for 2027.

**Hon. Joseph X. Hew, Leader of the Opposition:** Mr. Chairman, through you to the honourable member. That's very optimistic. I'm glad to hear it. It will be interesting at budget time. I won't ask you now, but certainly at budget time; I'm sure your team will come equipped to explain how we'll need less money moving forward.

At this point, considering we're coming to the end of the year— and congratulations on paying the longstanding debt to Airports Authority, but if we remove that we're still going to end up spending about \$17 million this year. What is the current load factor for Cayman Airways?

**Hon. Gary B. Rutty, Deputy Premier:** Thank you for that question, sir.

Mr. Chairman through you. To my understanding, the current load factor I received is about 61 per cent. I have my team here that could give you the actual number if you like, though.

**Hon. Joseph X. Hew, Leader of the Opposition:** Thank you, Mr. Chairman. Through you. I think if you want to confirm what the actual number is, they're right behind you, yeah.

**Hon. Gary B. Rutty, Deputy Premier:** Mr. Chairman, just give me a few seconds please.

*[Pause]*

**Hon. Gary B. Rutty, Deputy Premier:** Mr. Chairman, through you; 59 per cent year to date.

**The Chairman:** Honourable Leader of the Opposition.

**Hon. Joseph X. Hew, Leader of the Opposition:** Thank you. Through you, sir.

Mr. Chairman that certainly raises concerns from this side as far as the ROI (Return on Investment) from Cayman Airways. I completely appreciate that in two months' time when we get here for the budget we'll get much more information, but I think 59 per cent is quite low when we start looking at our national airlines' ROI. Again, I think I can hold my questioning between now and when we come for the budget, but it does raise red flags for us here. If you have anything to make me feel better, feel free to opine on it.

**Hon. Gary B. Rutty, Deputy Premier:** Mr. Chairman, through you. Cayman Airways is near and dear to this country and it's one of our national prides. We employ about 400 employees, 95 per cent of whom are Caymanians. I think that is something we can continue to be proud of. This Government has the responsibility to ensure that the airline is properly funded and its safety standards are kept up. We can all say Cayman Airways has an impeccable record and we want to continue that way as we serve the people of the Cayman Islands.

**The Chairman:** Deputy Leader of the Opposition.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chairman. I'm still trying to wrap my mind around the breakdown of the numbers. I think I have a better understanding; I'm just hoping that before I ask my line of questioning the Member can confirm: the \$3 million-odd was for the equity injection that you say was underfunded, \$1.6 million for the COLA—

*[Inaudible interjection]*

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Honorarium and COLA, okay. Maintenance is \$0.7 million; and \$1.6 million is for what?

*[Inaudible response]*

**Hon. Gary B. Rutty, Deputy Premier:** \$1.6 million for heavy maintenance and \$0.7 million was third party airline handling services.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Okay, so is it fair to say that the heavy maintenance and the last two amounts, the \$0.7 million and \$1.6 million, were not something that could have been budgeted for? Would that be fair to say?

**Hon. Gary B. Rutty, Deputy Premier:** Correct, sir.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you.

Also, the COLA... Have you been advised, Minister, that the Board basically threatened legal action as to honorariums and pay not adhering to the Public Management and Finance Act, as to the salary being equivalent to that of the civil service? Were you aware of that?

**Hon. Gary B. Ruddy, Deputy Premier:** Yes, sir.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Would it be fair to say that's where that extra money came from in respect to the obligation for COLA and honorariums?

**Hon. Gary B. Ruddy, Deputy Premier:** \$1.6 million.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** I'm not asking for the amount. We are talking about why it was not budgeted for. That's what I'm asking.

The \$5.7 million has to do with CIAA (Cayman Islands Airports Authority), then you broke down the \$6.9 million into four different formats. We dealt with the last two formats, meaning they weren't budgeted for. The COLA, we agreed that the Board was basically willing to take Core Government to court on the basis of not following the Public Management and Finance Act — are you aware of that?

**Hon. Gary B. Ruddy, Deputy Premier:** Mr. Chairman, through you. Let me speak with my team. One second.

[Pause]

**Hon. Gary B. Ruddy, Deputy Premier:** Mr. Chairman, through you. I'd like to ask the CEO to answer the question.

**The Chairman:** Mr. Whorms.

**Mr. Fabian Whorms, Chief Executive Officer, Cayman Airways Limited:** Thank you, Mr. Chairman. I am not aware of the Board ever having any intention to take the government to court about anything — period.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you.

**The Chairman:** Thank you, Mr. Whorms, who is obviously here as CEO of Cayman Airways Limited.

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

In light of that comment by the CEO — Good to see you, by the way, Mr. Whorms, and former team; I hope you guys are doing well. Make sure you treat my team well, Deputy Premier.

Are you aware of the Board requesting legal advice as to the Government's *obligation* under the Public Management and Finance Act for harmonisation of pay? Do you remember that?

**Mr. Fabian Whorms, Chief Executive Officer, Cayman Airways Limited:** Through the Chairman. Yes.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Do you recall the Board addressing the then Minister, namely me, as to the Government's legal obligation to adhere to that law?

**The Chairman:** Mr. Whorms.

**Mr. Fabian Whorms, Chief Executive Officer, Cayman Airways Limited:** Through the Chairman. Can you repeat the question?

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Do you recall the Board writing to me, as the then Minister, as to the obligations to adhere to that law?

**Mr. Fabian Whorms, Chief Executive Officer, Cayman Airways Limited:** Through the Chair. I recall several items of correspondence from the Board to the Ministry and the Minister pertaining to the need to comply with the law.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. CEO. I think you said the same thing I said in different words. Do you recall any of the reasons why the former Chairman resigned from his post in respect to the said topic?

**Mr. Fabian Whorms, Chief Executive Officer, Cayman Airways Limited:** Through the Chair. I assume you mean the former Chairman being Mr. Jude Scott? Mr. Scott's reason was laid out in his resignation [letter] as far as I am aware. I cannot tell you that I recall the exact wording of it, but that resignation letter is published online; it's widely available. If what you're saying to me is that it was part of the content, then I would have to give you the benefit of the doubt.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, CEO.

There's one last area that maybe you can help the Minister opine on, which is the \$3 million equity injection that was requested but not covered. Can you tell me what was budgeted for in 2024 and 2025 and why there's a need for the extra \$3 million now?

**The Chairman:** Mr. Whorms.

**Mr. Fabian Whorms, Chief Executive Officer, Cayman Airways Limited:** Through the Chair, the budgeted amount for 2024 was \$12.1 million and the

same amount was requested for 2025. That \$12.1 million represented what the company needed to fulfil its obligations, which were projected. That amount was reduced I would say unilaterally (cannot be said any other way) to \$9.1 million; which left us in a predicament where only a magician or a miracle worker could make the equation balance. It was an impossible situation. What we were faced with is something we're faced with every single budget cycle, which is that whatever we say we need is not what we get, but we are no different from any other entity the CIG has to support, so we work with that.

However, it is a significant issue that the Auditor General actually highlighted in the last performance audit conducted on Cayman Airways. I recall speaking about it extensively before the Public Accounts Committee about a year ago, and pointing out there was this reduced equity investment in 2025 and it was entirely unclear as to how the company would be able to make it through all of 2025 with that reduced amount.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, CEO.

Through you, Mr. Chairman. Do you recall the Board making financial fee adjustments to make up for the shortfall — meaning changing fees, baggage fees and so forth, recognising that that money wouldn't be available because let me give you the back story.

As Minister, we wanted Cayman Airways to perform better because we are basically paying all the bills for Cayman Airways and pressing Cayman Airways to do better, recognising the \$3 million shortfall. Were there changes to the fee structure, other ways to make revenue that you are aware of that were approved?

**The Chairman:** Mr. Whorms.

**Mr. Fabian Whorms, Chief Executive Officer, Cayman Airways Limited:** Through the Chair.

I'm aware of several revenue enhancement measures because we're obviously left to our own devices. That's the purpose of running the company, so every effort was made to try and find ways to address the shortfall; however, there are many things that were beyond our control during the same period. I beg your indulgence, if I could share some of them just to give a feel for what the realities are.

It's difficult to say that any particular sum appropriated in any particular way ends up being spent exactly how it should, because [Cayman Airways] is not a government department. It's actually a business where we have no idea whether tomorrow our load factor will be 51 or 71 per cent; and where our resources are limited, and even if they were not, there's only so much you can do with a marketing spend to bring the revenue in. If the demand isn't there, it's not there. There are various sums we have been faced with

apart from the COLA, which of course was awarded in 2024 to take effect at the beginning of 2025 — obviously, when the budget cycle was done in 2023 no one would have anticipated that. Concurrent with the COLA was a minimum \$3,000 salary, which would have been applied to the civil service as well as Cayman Airways.

I think what you're getting at Mr. Bryan, is that at the time Cayman Airways indicated it had the funds to pay for this. That was from the airline's capital reserves, so this is not a situation about a profit and loss ledger or an income statement, it's about cash and we did have a significant amount of cash at the time. It was depleted in a variety of ways. We had 120-day terms with the Airports Authority to settle our payments to them, which is roughly a million per month. That was reduced to 30 days from 120, so that immediately took 3 million out of our cash. If that hadn't happened, I would dare say what we'd be looking for right now would be \$3 million less because we would have had \$3 million more in the bank. That type of thing.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, CEO. I don't mean to interrupt because we can possibly avoid further explanation.

**Mr. Fabian Whorms, Chief Executive Officer, Cayman Airways Limited:** No worries.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** I think you said the key thing I wanted to hear, which was that you advised the then Minister that you had the money. I see that your Acting CO is behind you. The then Minister, in approvals for any honorariums or cost of living increases requests said, (and we can FOI it): *"If you have the savings or the monies within your budget to afford it, then you can do it."* Would you recall that?

**Mr. Fabian Whorms, Chief Executive Officer, Cayman Airways Limited:** Through the Chair. I do recall; and the payments were made, but we are now into Q4 of 2025. Having the money then and having it now are two different things.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Something else happened to cause you not to have the money to do it, so it's about affordability. We are technocrats. We're all technocrats — all those Ministers over there.

If you go to that Minister and say *"Listen, I'm trying to adhere to the Public Management and Finance Act by a legal obligation. The Board has advised of my legal obligation to pay this just as much as everybody else at the civil service."* The Minister goes, *"Okay, if you have the money, please adhere to the law because I don't want to cause any legal undoing."* Let's just say it's the good Deputy Premier Gary Ruddy. What do you think he would do if you advised him that you have the money?

**Mr. Fabian Whorms, Chief Executive Officer, Cayman Airways Limited:** Through the Chair. Is that a question for me?

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Yes!

**Mr. Fabian Whorms, Chief Executive Officer, Cayman Airways Limited:** Okay. I really can't say what I would expect the Deputy Premier to do. What I can say though, is that one way or another we really didn't have a choice but to do what we did.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Okay. I thank you. I'm not trying to trick you into anything, I'm just trying to paint a picture of the realities because there has been a sentiment of unaffordability in decision-making when we are policymakers. Our job is to assess the financial circumstances. We ask those who are in charge of those circumstances to say whether it's affordable or not. If we are advised, then we approve. If you say no, we can't afford this and we're going to need more money; then we would know what the circumstances are.

Now that that is clear, the last thing I'll ask is — and this one may not be for you, CEO. Continue to do the great work you're doing. Both you and your right-hand man have been doing a good job and continue to do it.

Through you, Mr. Chair, the CIAA money to be paid, can the Minister say whether or not the \$5.7 million that we pay to CIAA, which I support heavily — it's time for us to resolve this payment issue, so I'm glad you found the money and that you're requesting it. Is there an obligation with that payment whereby CIAA can start to pay back to the government the \$50 million that we loaned them, because let me give you some background here; the agreement was that now that they're making money again they would also start to pay back to the government the money that they borrowed during the pandemic.

If Cayman Airways, which is as much a government entity as CIAA, is going to be pressured to pay — because CIAA was pressuring Cayman Airways for a long time to pay this bill — but they don't want to pay to Core Government who loaned [to] them. That's why they didn't get paid. The question is, now that you are going to pay them, is CIAA going to pay back to Core Government the money they borrowed?

**Hon. Gary B. Rutty, Deputy Premier:** Mr. Chairman, through you. As is well-known, I inherited this situation. I'm only responsible for what I know that I'm going to pay. When it goes from my Ministry to another Ministry, I can't tell you what that Ministry is going to do, but I'm sure they will fulfil their obligations.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Honourable Deputy Premier. Of course, I can't expect you to answer on behalf of another Minister. I'll ask him on the Floor of the House in a supplementary question. What my question to you is—

**Hon. Johany S. Ebanks:** Mr. Chair. I was sitting here minding my own business but the Member for George Town Central dragged me into this, so I'm obligated to speak on it.

**The Chairman:** Honourable Minister, can you say if and when we get to the end of this item (and can actually approve it) and Cayman Airways then pays CIAA, that the CIAA will pay CIG according to the terms of the loan agreement between CIAA and CIG.

**Hon. Johany S. Ebanks:** Mr. Chair, I just want to go back to the makeup of this Government.

When we separated the ports from the airports, it was for the same reason: we felt that because Peter and Paul were brothers, and the Minister was the father at the time, he did not want to take the decision on who should and should not get paid, so we separated them. The first thing we did following that separation was to send a bill to the airline to be paid.

I can say directly that the CIAA has been making its payments to the government, so I do not understand the member asking whether we will be paying it back. Is he saying that CIAA did not make any payments to the government while it was under his watch, because if so, he needs to just say so.

**The Chairman:** Can I interject to say that in the report from the Treasury, CIAA is paying back its current \$50 million loan that was racked up during COVID to central government. There is no collections issue.

**Hon. Johany S. Ebanks:** Thank you for the clarity, Mr. Chair, and I hope that answers the Member for George Town Central's question.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Mr. Chairman, I have to say that I don't want to drag this out any further. That wasn't my question, but I'm quite happy if the Member can provide when the—

*[Inaudible interjection]*

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** It's good to hear that they will continue to pay. Maybe the Member can say when the first payment was made, because the Deputy Chief Officer and the good staff over there would adhere to support the fact that there was a dilemma of lack of payment to core government due to that; but that's beside the point. It's going to get paid now.

Mr. Chairman—

**The Chairman:** Member for George Town Central, let me make this very, very clear - in meetings with the financial team, whilst CIAA bemoans the fact that it has to pay back the loan, it is paying back its loan to Core Government. If someone informed you during your time as Minister that that was not happening, they informed you incorrectly. For Cayman Airways, under your watch, to have asserted that it would not pay CIAA because they thought CIAA might not repay Cayman Islands Government - you were advised incorrectly and quite frankly, Cayman Airways would have had no place to make such an assertion.

I cannot go to a vendor to whom I owe money and say, *"I'm not going to pay you, vendor, because I don't think you're going to pay your bills."* That's not my place. I pay the vendor. This seems to have been some blame game and passing of the buck. Can we move on from this line of questioning because we need to bring this to a vote?

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Sorry, I do apologise, Mr. Chair.

**Hon. Johany S. Ebanks:** Mr. Chair. I just want to thank you for the wonderful clarity.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Yeah. Well, the clarity isn't clear yet.

**Mr. Christopher S. Saunders:** Mr. Chairman.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Member, can you allow me to—?

Mr. Chairman, I know that you are a great politician and you can opine as much as you like, but I'm making clarity today as to the reasoning behind it.

The public doesn't get to see what is happening behind closed doors when the Boards are fighting one another. My job was to protect Cayman Airways at all costs when CIAA was pressuring Cayman Airways to pay bills, and they weren't paying Cayman Airways for various costs associated with them. I'm happy to hear that we're getting this resolved now, but let's not make it seem as if they were all in cahoots before. I am happy to hear that, but I do have further questions on the line item.

**Hon. Johany S. Ebanks:** Mr. Chair, I must object again. The Member said his job was to protect Cayman Airways. His job was to protect CIAA also, as it fell under him as the Minister as well; so let's not forget that.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you for opining, Minister. I appreciate it and I'm glad to see that you're fighting really strongly for CIAA too, but I suspect that if you

should go back and check the timeline of those payments, you'll start to see.

Anyway, let's move on Mr. Chair.

**The Chairman:** Members, we will not have misinformation to the Finance Committee. Member for George Town Central, if you want me to produce those—

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Yes, please!

**The Chairman:** —And I will, because you're going to find them very embarrassing and they will be made public. Thank you.

**Mr. Christopher S. Saunders:** Mr. Chairman, before you move on from the subject, may I just add something that I think may help this discussion. I remember the issue about getting Cayman Airways cleared up. The plan at the same time wasn't about a loan repayment, but for CIAA to actually make a dividend payment because of the excess cash.

I think the terms loan and loan repayment are used incorrectly. The plan was actually for them to make a dividend payment to the government because at the time, we were worried about the number of cash days that the government would have as the cash held by the SAGCs doesn't count towards the government's cash days. We would have given Cayman Airways the money to pay off its bill and CIAA would then make a dividend payment to the government so we would have basically got back the cash, and cleaned up the books.

The problem we ran into, from what I understand, I don't want to get into it, but there were one or two particular members of the CIAA Board who would not give government a commitment that they would pay the dividend —

*[Inaudible interjection]*

**Mr. Christopher S. Saunders:** It was a dividend, so I think "loan" is being used incorrectly here. The plan was for a dividend payment to come back to government so at least you could get back the cash and it would not impact our cash days. From what we understand, one or two members on the other Board were just being belligerent and at the time, some people did not want to issue a Cabinet directive to CIAA to say, declare the dividend. That was basically where the issue came from. It was meant to clean it up and government would have gotten back its money.

Before we resumed, the Deputy Premier and I were having an offline conversation on the same issue whereby that money now comes back as a dividend. My follow up question is — Are they now going to issue a dividend to give us back that cash, because what we don't want is cash sitting there while the Core Government is struggling with cash days whereby we

have to go and borrow money because it is the Core Government that has to carry all the FFR responsibilities; meanwhile, we have SAGCs sitting on cash that they don't need to be sitting on. We take their liability and none of them are cashing in on their revenues, so it makes no sense. The objective at this point is that the Cabinet needs to look at all the excess cash that's sitting in all the SAGCs, not just the CIAA or whoever, and send it back in dividends to Core Government.

What will end up happening is that you all will have to go out and borrow money now to meet your cash days, et cetera, and we will not be any better for it. I think that is really where the issue was. It wasn't a loan payment, but rather a dividend that was supposed to come back and one or two members were just uncooperative in terms of that plan and it went south. I hope that helps.

**The Chairman:** Thank you for your interjection, Member for Bodden Town West. As I said, the comment that was made was that CIAA was not repaying its loan.

*[Inaudible interjection]*

**The Chairman:** Okay, because a loan and a dividend payment are completely different.

Member for George Town Central, are we now clear on that point?

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Yes, sir. I think we are. Now you and I can go have a coffee after this. I love you again, now that we got that all cleared.

*[Inaudible interjection]*

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you very much, Member for Bodden Town West. Being the former Minister for Finance and remembering exactly what transpired, thank you for clearing that up. I think the now Minister can start paying some dividends to the Core Government with his Board. Moving on.

Through you, Mr. Chair. Can the Honourable Minister say whether Cayman Airways is still committed to its plan of changing aircraft to be more efficient in the future than the three-aircraft approach that we have now?

**Hon. Gary B. Ruddy, Deputy Premier:** Mr. Chairman, let me converse with my CEO, but I have to ask the Member for George Town Central: three aircraft? Are you talking about the four MAX 8s?

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Sorry, maybe I wasn't clear about their current makeup. We have three different aircraft right

now and as a result, we were advised that it would be more efficient if we went down to two aircraft, one being the jet and the other being able to service Little Cayman and Cayman Brac. Your now team did much work and research in respect to that, and we planned an approach for the future, which would create savings from having only two maintenance processes, rather than three because every different type of aircraft you have requires different types of maintenance.

I want to know whether your Ministry is still planning to go in that direction with the company Cayman Airways.

**Hon. Gary B. Ruddy, Deputy Premier:** Thank you for that question. I'll refer to my CEO.

**Mr. Fabian Whorms, Chief Executive Officer, Cayman Airways Limited:** Through the Chairman. It's been widely known for a very long time because it's very logical that if we could operate two aircraft types instead of three, it would bring enhanced efficiency and definitely increase the airlines' financial performance, so two types versus three is something we have always wanted to go to. The reason it hasn't happened is that there is no other type that can go to Little Cayman but the Twin Otters, so we are stuck with that at this moment. When that situation changes, it will then trigger the feasibility of using one aircraft type for both Little Cayman and Cayman Brac, which would definitely produce cost savings.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you so much, CEO. You did a very good job explaining that.

Can the Minister say if he had any conversations with his counterpart from the CIAA who would be responsible for the new airport in Little Cayman [as to] whether the Government is still going down that path to be able to allow Cayman Airways to go to two aircraft to have cost savings and us running this company more efficiently?

**Hon. Gary B. Ruddy, Deputy Premier:** Mr. Chairman, through you to the Member for George Town Central. Thank you very much for that. The Minister responsible for Airports Authority and I have not had that conversation.

**The Chairman:** Member for Bodden Town West, Mr. Saunders.

**Mr. Christopher S. Saunders:** Thank you very much, Mr. Chairman.

Mr. Chairman, through you to the Honourable Deputy Premier. Have Cayman Airways' planes had any issues with bird strikes or any bird issues when landing or taking off?

**The Chairman:** Honourable Minister.

**Hon. Gary B. Rutty, Deputy Premier:** Mr. Chairman, I'll refer to the CEO to give the numbers. We just discussed that a few days ago as well, but I would rather it come from him.

**Mr. Fabian Whorms, Chief Executive Officer, Cayman Airways Limited:** Through the Chair, bird strikes are something that from time to time keep someone like myself up at night. Every time there is a bird strike we have operational irregularities, because even if it's a small bird and the impact or damage is very minor, it still triggers an extensive inspection process on the aircraft. For instance, if a bird hits the nose, then possibly another bird or pieces of that same bird may have been ingested into the air conditioning system or into the engine, et cetera; so birds are very problematic to us from a logistical point of view. From a safety point of view, even small birds, if they are ingested into the correct place, such as the proper core of a jet engine, the effect can be catastrophic.

We want to always err on the side of caution when it comes to anything we see about birds. We're going to be conservative. I would prefer to not see one bird anywhere because I am not in that business, I'm in the business of flying people safely, but birds are something the whole world has to contend with so we have to look at our rate of bird strikes in comparison to similar jurisdictions; the worldwide averages and what entities like ICAO [International Civil Aviation Organisation] say are acceptable levels.

We're also concerned about the birds' sizes. There are times when they can be very large. Cayman Airways itself had an engine completely destroyed by a crab catcher in Cayman Brac. Albeit it was many years ago, some 20 years ago, when it happened, it was a million dollars' worth of damage. We were still operating the 737-200s, so it's not that we don't know what is possible.

However, bird and wildlife management is not for the airline to dictate on or try to say what should be done. We have our views and again, our views may not always align with anyone else's because we're looking at it purely from the perspective that I would rather not see birds. I understand the environmental concerns, but I think there's a hierarchy on the planet and humans come first every time. That's just our perspective.

*[Desk thumping]*

**Mr. Fabian Whorms, Chief Executive Officer, Cayman Airways Limited:** I know in recent times there has been an effort to quantify the number of bird strikes that we have had, specifically between Owen Roberts and Cayman Brac. I looked into these numbers myself and what I found is that there were many flights where the aircraft arrived in Cayman Brac and there was evidence on the aircraft of a bird strike, so it triggers that inspection I spoke about. We don't know whether it occurred on the approach into Cayman Brac

or on the take-off from Grand Cayman, but I know it's one of the two, and I know the problems both in Grand Cayman and in Cayman Brac are somewhat similar.

What we would do, for our own internal purposes, is that we would say which was most likely, so we may look at the type of bird and we can say, well, that's a Cayman Brac bird, you know, that particular type of swallow or whatever it may be, if we are able to identify it. There are other entities that go way deeper into this because that's their business, so the Civil Aviation Authority, they are very much involved in this. I know that they even have the Department of Environment on one of their safety committees and bird concerns are something they look at regularly.

Sometimes our numbers don't match though, because a bird strike that was not identified as happening in Owen Roberts in Grand Cayman or at Charles Kirkconnell would not actually be registered in their database, but we know it's one or the other, so we're going to pick one. You follow what I mean? Swallows and doves don't fly at 12,000 or 31,000 feet; they don't, you know? I really don't want to offer too much of an opinion beyond what I've said, which is, we're just against it. I don't want to get into the numbers because it depends on how you're counting it.

I will say that there have been times when the frequency of bird strikes that we have had [increased], which means the inconvenience every time as well to do these inspections. Sometimes we have a bird strike in Little Cayman or Cayman Brac and the operation grinds to a halt because we have to fly a special technician or special tool, or something over to Cayman Brac. This is how we end up with these delays, and it makes the news. It might have been a small bird, but the impact is significant in terms of the cost, the delays, and the inconvenience to the passengers.

Something else we have also been conscious of is the timing of the day and the seasons. There's a whole science to this. There are migratory birds, there are birds that move in the morning, birds that move in the evening, and so what we have tried to do is avoid certain times of the day with some of our flights. We're limited with how much we can do in that regard, but we still keep it in our minds when we plan our schedule. It's those times just around dusk, similar to the mosquitoes, you know; there's a certain one-hour window in the morning or in the evenings — it's similar with birds, but we are not experts. This is our own observation that we have developed over years of seeing the times of day when we achieve the impacts.

Our pilots are also not particularly comfortable flying into aerodromes where there are high bird concentrations at night because you won't even see what hit you; you don't have the visual cue. For instance, sometimes on approach if the captain notices a flock of birds at the end of the runway, he may choose to go around and alert the tower and have them do something about it. At night, that's very difficult to do because the areas are not illuminated. That's about as



much of what I would like to say about birds. I don't know if it's the information you were looking for, but I hope it's helpful.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Mr. Chairman, I got a few questions as a result of that. That was a very good detail. I want to ask you a very important question right now because it's going to make a difference in whether actions are taken. Is there potential for a plane to crash if a large enough bird from this area goes into an engine?

**The Chairman:** Mr. Whorms.

**Mr. Fabian Whorms, Chief Executive Officer, Cayman Airways Limited:** Through the Chair; that's an easy yes.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Okay. That you are aware of, is there currently a pond at the end of both the Grand Cayman and Cayman Brac airstrips, where birds congregate on a regular basis?

**The Chairman:** Mr. Whorms.

**Mr. Fabian Whorms, Chief Executive Officer, Cayman Airways Limited:** Through the Chair, there have been longstanding issues at both airports with areas where birds congregate. At ORIA [Owen Roberts International Airport] it has gotten better over the years as ponds have been filled, so that has led to some improvement. There are several bird mitigation methods and some of the birds that do the most damage may not be the birds that gravitate towards the ponds, but we are not experts on that. I have seen enough data from the Department of Environment indicating how much expertise they have that I'm not keen to give my opinion now as to whether or not I think a pond would get rid of an egret. Do you follow what I mean?

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

**Mr. Fabian Whorms, Chief Executive Officer, Cayman Airways Limited:** However, from my own layperson perspective, I see the egrets, I've seen ponds filled, and I've seen the egrets become less populous. In my mind that works, but I'm no bird scientist. Again, my views are always going to be that I do not think birds go well with airports. Actually, adjacent to the runway at Charles Kirkconnell, there is a bird watching site and this has been so for many years. I don't know if it's protected now. I think it might have been protected at some time in the past, but that has always been of great concern.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you. This is the last part about this area, Mr. Chairman; then I'm going to ask the CEO, through the Minister, and through you. I don't want this to come off as us against the environment or against birds, but you are the person tasked with the safety of *lives*. How many people go on those jets again, 160 right? I don't want 160 people dead on our runway because of a bird, because then a different story would be *why unnah never moved the ponds with the birds before*. I don't want that to happen.

*[Inaudible interjection]*

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** You don't even want one. Thank you, Minister.

No matter what we say here today, somebody is going to say that we are against the environment, but I'm asking you because you are the technocrat. I'm just a layperson. I'm just the voice of the people from Central. I'm not an expert in the environment or plane safety. As the person responsible for the safety of our national airline, do you feel comfortable enough knowing those two ponds are at the end of the airport strips right now? Yes or no.

**Mr. Fabian Whorms, Chief Executive Officer, Cayman Airways Limited:** Through the Chair. I would rather answer by saying, I would rather if those ponds were not there.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you.

Mr. Chair, Minister, I think you have heard a lot today in respect to this. My suggestion is, there are many other places that we can protect. There are many places and I support protection of the environment, but God forbid we lose any soul due to a crash because of those birds. We know there's an ongoing problem, by which the Chairman will be happy to hear that I'm withdrawing my question I submitted to Parliament because I'm getting the answers today. I think you should encourage, through you as Minister for Cayman Airways, to the Minister for CIAA and to the Minister for the Department of Environment, to support those ponds being removed. I want the record to show today that the Opposition has asked for it because God forbid anything happens, it will be on your Government.

**The Chairman:** Honourable Deputy Premier.

**Hon. Gary B. Rutty, Deputy Premier:** Mr. Chairman, through you. Member for George Town Central, thank you very much for that and we will take it into consideration. We've already been working on that and I want to assure you and the public that it has been in many discussions within this group.

**The Chairman:** Member for Red Bay, Mr. Tatum.

**Mr. A. Roy Tatum:** Thank you, Mr. Chairman. Through you, sir. Recognising that for the time being we're stuck with the Twin Otters for Little Cayman, if stuck is the right word (I think it is), can the Finance Committee be advised please as to where we stand in terms of the upgrades for Cayman Brac, whether it's a new plane or an additional plane for that route; and also whether funding is available.

**The Chairman:** Honourable Minister.

**Hon. Gary B. Rutty, Deputy Premier:** Mr. Chairman, through you. I'll direct that to the CEO as well.

**The Chairman:** Mr. CEO.

**Mr. Fabian Whorms, Chief Executive Officer, Cayman Airways Limited:** Through the Chair. That notion has come up on many occasions within Parliament, Finance Committee, and Public Accounts Committee. There have been requests and indications that there would be support, especially on the Opposition bench— not necessarily this one, but the preceding one. There's always unanimous support to upgrade, let's say, the SAAB aircraft, but I think it's fairly obvious that if we don't even have the funding now to keep the airline running just the way it is, which happens to be very lean... I would like to declare that if anyone knows where there are millions of savings for this airline to capitalise on, please let me know, because it has been our job constantly to run the airline on the leanest budget possible without affecting anything to do with safety. There is never any hesitation there, but there are so many other things.

There is more than one way to acquire an aircraft. You can lease or you can purchase, and purchase will always give you the lowest cost of ownership because then your main expense is depreciation. If you took a loan to buy it, you would have your depreciation and your interest. If you're leasing aircraft, somebody's making money while they're leasing it to you.

The long and short of it is that every single time this has come up, it has not been able to progress very far because it is very obvious that if we are not in a position to fund the airline just the way it is now, how can we undertake anything? Changing the aircraft inevitably is going to involve increased costs. It has to, even if it's just temporarily before the efficiencies kick in. The transition to train crews, retool our maintenance, and get all the necessary certifications (and there are *a lot*).

These discussions often come up when there's an issue whereby we only have one SAAB on island because one is away on maintenance and if that SAAB breaks down, we're left without service. The [perception] that creates gives the impression that the

SAAB is unreliable, but when we look at the big statistics, the SAABs are actually quite reliable. In my mind, the easiest and most affordable fix to that problem is to purchase a third SAAB. It's the same strategy that we did with the Twin Otters, because we had two but there are times when we were only at one; but that is my personal perspective. What I can say is, whenever it gets discussed by any board, it becomes a sticking point because a lot of people will look at it and say it actually makes sense that to fix this problem, which is a reliability one, if you add an additional aircraft, it can fix the problem.

Now, is there another problem in that the aircraft are old and obsolete? Actually, they are not. The SAABs that we have are the gems of all SAAB 340s. As a matter of fact, all the aircraft that Cayman Airways has are the gems of all the fleets in the world, and it's because the aircraft are pampered. They are maintained to the highest standards, they are flown to the highest standards, and they're not beat up while they are being flown, to put it in simple terms, and —

**Mr. A. Roy Tatum:** I might be able to assist.

**Mr. Fabian Whorms, Chief Executive Officer, Cayman Airways Limited:** Our utilisation is also lower than a conventional carrier that would be trying to get as much out of the aircraft as possible, so it makes our aircraft have a much longer useful life.

**Mr. A. Roy Tatum:** I appreciate that. I interrupt only to say I think I can assist. I think my line of questioning was with regard to upgrading the service, whether that was a new aircraft, which is what I've heard in the past, but also what you just mentioned, which is a third SAAB. Is your answer that a third SAAB is what's needed, or that there are really no plans in place right now to upgrade the service, or whether that includes an additional SAAB, because reliability is the issue.

**Mr. Fabian Whorms, Chief Executive Officer, Cayman Airways Limited:** Through the Chair, I would say that at this particular moment there are no plans and that is because the previous board with the previous administration spent significant time looking at it and looking at all the various issues and the problem wasn't solved, so it's now for the new board and the new administration to help us figure it out. Of course, a lot is dependent on what happens with Little Cayman as well.

As long as we need to keep two different types of aeroplanes, then that's a problem. However, if it goes down to one, then [by] replacing five older aircraft with, let's say, three newer modern aircraft, we might be getting into a scenario where it becomes cost neutral or we end up ahead financially by doing so. Much hinges around, again, the Little Cayman situation.

**Mr. A. Roy Tatum:** Mr. Chair, I would like to thank Mr. Whorms for that. I will close with this: I really hope that

the new Board finds a fix, because I'm not so sure that the Little Cayman problem is going to be fixed anytime soon. Certainly, I believe the service between Grand Cayman and Cayman Brac has been a bit more reliable than it was. When I'm asking this, it is sort of with my Cayman Brac hat on. The people of Cayman Brac deserve reliable service, so I'm hoping and praying that the new board finds a fix for this and that in the upcoming budget there is some ability to actually steer some funding in place to get that done. Thank you, sir.

**The Chairman:** Thank you members.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Mr. Chair. I just want to wrap up myself, if you don't mind. I know you're trying to push along, but we are scheduled for two days. I want to say—

*[Laughter and crosstalk]*

**The Chairman:** Honourable Deputy Leader of the Opposition, there are many people sitting in this House waiting to answer questions. We're going to be speeding things up because we have to be a little more succinct in the questioning, but let's wrap up EI 1.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** I agree. Thank you, sir. I just want to say to the Honourable Minister, don't let anybody pressure you into thinking that funding Cayman Airways is an expense, because there has been no quantified value proposition to the ability to leave this country safely when a hurricane comes, or to the value it has given to tourism and its efficiency from certain gateways, or our ability to travel to the south for cargo operations through Panama. Many people may sit and say, "*Oh, we spending all this money on Cayman Airways?*" — If you can give them more, you give them more. If you can treat those staff even better than I did, do so. You have my full support.

*[Desk thumping]*

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** This thinking that Cayman Airways isn't valuable needs to *stop* in this country. You don't know what you have until you lose it.

**Hon. Gary B. Ruddy, Deputy Premier:** Mr. Chairman through you to the Member for George Town Central. I thank you very much for that. Cayman Airways is not a liability to us. It's an asset and an investment that this country is proud to make and invest in. Like I said, every time you go to another country and you fly that airline and you see that plane going over with the coat of arms around its tail, you feel proud knowing that's our airline — and if I'd known you would be so nice, I would've asked for more.

*[Laughter]*

**The Chairman:** That being said, all those in favour—

**Hon. Juliana Y. O'Connor-Connolly:** Mr. Chairman, that being said, I could not be a Cayman Bracker and sit down and not respond to that, because we do have an opportunity and I won't push to get it today; it would be somewhat unreasonable, but we do have a two-year budget coming up, so I would invite my honourable friend across the way to be diplomatic. I wouldn't say push or coerce, but be diplomatic in his request to ensure that there's sufficient end to the two-year budget so that the services to the Sister Islands can be reliably and affordably upgraded.

*[Desk thumping]*

**Hon. Juliana Y. O'Connor-Connolly:** I probably fly more than anyone in this Parliament, probably for the longest period of time as a parliamentarian and a private citizen. I was there on the occasion the honourable CEO said— I won't call the name of the captain, but he was a good captain— when we had a bird strike in Cayman Brac and he made the announcement that he could see the engine on the runway. It's not a good feeling.

**Hon. Gary B. Ruddy, Deputy Premier:** Mr. Chairman through you to the Member for Cayman Brac East. I thank you very much for that and you have our commitment.

**The Chairman:** All those in favour of supplementary expenditure with respect to EI 1 – Cayman Airways Limited for an amount of \$12,700,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: EI 1 passed.**

#### **EI 49 – Cayman Turtle Conservation and Education Centre Limited**

**The Chairman:** Whilst we as a Committee are in such a great mood, we have the real turtle of the island, which is the Cayman Turtle Centre coming up and I would invite members to offer the same support for EI 49 – Cayman Turtle Conservation and Education Centre Ltd. for an amount of \$1 million. Are there any questions?

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Now, you know I wasn't gonna make this pass. Come on now.

**The Chairman:** Are there any questions?

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Yes, Mr. Chairman. I want to deal with two matters.

**The Chairman:** Two.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Two topics with various questions under each topic. First, the availability of turtle meat.

**The Premier, Hon. André M. Ebanks:** Sorry, member, I think the Deputy Premier would just like to thank his staff.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Oh, yes, sir.

**Hon. Gary B. Rutty, Deputy Premier:** Mr. Chairman, I want to thank my team, the CEO and CFO, and [those] from my Ministry for coming in with a detailed presentation and answering the detailed questions from the Opposition. I thank them very much for spending the day with us today; continue to keep that airline flying safe.

**The Chairman:** E1 49 — Deputy Leader of the Opposition, let's move the questioning along.

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

Question through you to the Minister. First, can you just give an overview of the \$1 million? What is it for? Is there a reason, because I think it was funded reasonably; appropriately.

There were supplementaries even throughout the year; maybe you can give an outline as to the extra million. Is there something going wrong? Are the numbers low? What's the reason for the extra million — it says it's for operational cost expenditure?

**Hon. Gary B. Rutty, Deputy Premier:** Mr. Chairman, through you. Thank you very much for that question Member for George Town Central.

Mr. Chairman, with your approval, I would like to provide a brief summary to the Committee to offer context to the Ministry of Tourism and Trade Development's request to increase appropriation E1 49 by C\$1 million. E1 49 is the appropriation for the Cayman Turtle Conservation Education Centre (CTC), and this request for supplementary funding is required to cover a shortfall in the centre's operational expenditures for 2025 to ensure that the CTC can maintain its programmes and services.

In 2024, the Cayman Turtle Centre received \$6 million in funding for operational expenditure, which was reduced in 2025 to \$5 million, creating a funding gap. The CTC's customer base is primarily comprised of cruise passengers, and with cruise arrivals having declined from 2023 to 2024, and no significant increase

anticipated in 2025, the CTC is unable to compensate for the \$1 million variance in E1 49 within its existing budget.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Minister. In light of the acknowledgement that the numbers have declined in cruise tourism, and I think your wording was, *with no increase projected* for next year either—

**Hon. Gary B. Rutty, Deputy Premier:** Through you, Mr. Chair. I didn't say next year. I said 2025.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Sorry, my apologies. Maybe I should ask that question. Do you have any concerns for next year or the year after in respect to affordability to fund operations? Because some of the money comes from the funds they raise from ticket sales and so forth, and some is based on equity injection from the Ministry. Right?

**Hon. Gary B. Rutty, Deputy Premier:** Yes. Mr. Chairman through you. Right now, the forecasted bookings for 2026 stand at 1,370,721 passengers and 449 ship calls; 2025 was 1,176,386 at 381 ship calls; so we have a difference of about 60 more ships coming in 2026.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Is the Minister then saying he's comfortable with the revenues they'll make next year and we won't have to give the turtle centre as much money?

**Hon. Gary B. Rutty, Deputy Premier:** Mr. Chairman, through you. I cannot say at this time because we can't predict the future with those ships and any disaster could happen between now and then. Right now, we need the shortfall of a million dollars that was under budgeted in the 2023 budget session to get through 2025.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Was it under-budgeted, or the numbers went down? I see you trying to elicit advice.

**Hon. Gary B. Rutty, Deputy Premier:** Mr. Chairman, through you. I will ask my CTC CEO to provide the details.

**The Chairman:** I would ask Mr. Chris Jackson, the Chief Executive Officer of the Cayman Turtle Conservation and Education Centre Ltd. to respond on behalf of the Minister.

**Mr. Chris Jackson, Chief Executive Officer, Cayman Turtle Conservation and Education Centre Limited:** Thank you, Mr. Chairman.

Through the Minister, sir. Originally in 2023 we budgeted for and requested EI injection for 2024 of \$6 million and the same \$6 million for 2025, but for 2025, we only received \$5 million. The reason for this request is to supplement our operating expenses for the remainder of 2025.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chairman. Through you to the CEO. You got extra funding for capital though, did you not?

**Mr. Chris Jackson, Chief Executive Officer, Cayman Turtle Conservation and Education Centre Limited:** That is correct; \$2.56 million for the seaside pump station. Nothing to do with CTC operations. It was completely separate.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Okay. One would assume that your operational expenses are the number one priority, correct?

**Mr. Chris Jackson, Chief Executive Officer, Cayman Turtle Conservation and Education Centre Ltd.:** At the moment, yes, sir.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Okay, so at the time the government (whichever government it was) gave you funding, extra money, the priority was the capital not operational [expenses]?

**Mr. Chris Jackson, Chief Executive Officer, Cayman Turtle Conservation and Education Centre Ltd.:** We submitted a request for EI injection. The Capex was something completely different. It was for the pump project, which if the member remembers, it was you and I who battled for that.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Yeah. The reason I ask is because obviously, we have to balance the affordability of anything. You make a decision on which one is most important, the capital or the operational, right, and what would be the advice given. Obviously, you could not get both at the same time.

Would the advice at the time [have] been [that] the capital was more important or the operational; or did you not know what the operational expenses would have been at that time, and you have come to the realisation now that you need more money? Would that be a fair assessment? I'm not trying to trick you.

**Mr. Chris Jackson, Chief Executive Officer, Cayman Turtle Conservation and Education Centre Ltd.:** Mr. Chairman, through you, sir. No, we knew what the submissions were and requested \$6 million. We

found out we didn't get the \$6 million the night of the Finance Committee in December 2023.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** In 2023.

**Mr. Chris Jackson, Chief Executive Officer, Cayman Turtle Conservation and Education Centre Ltd.:** Correct, which was for 2024/2025.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Correct. [I'm] not trying to trick you or anything.

My point is this: In 2023 you were trying to get more money for operational expenses. We said, *okay, let's see how well you do with cruise; maybe you will make more money in revenues so you won't have to ask government*, because this injection comes from core government. Quite similar to Cayman Airways. We said, *go and prove yourself. Make some money on your own*, because technically speaking the Auditor General holds companies like yours accountable to be self-sufficient, without capital or equity injection so you put a tempering.

Let's go now from 2023 to the most recent capital request you made, which was over a million. Now, you know what 2025 is going to look like. The conversation we are having is: Operational or capital, which one do you want?

*[Inaudible interjection]*

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Naturally, the request was for the capital, which was the pipe because it was seen that it was more important, right?

**Mr. Chris Jackson, Chief Executive Officer, Cayman Turtle Conservation and Education Centre Ltd.:** Well, it was the only project we were able to get approval for. Obviously, we requested more for other projects, product development and so on and so forth; so we did have a battle, you and I, if you want to call it that, for me to get the seaside pump station at that time and the reason it was so relevant was because of operating cost. We had several times when the underground pipes broke. That infrastructure has been there since the early '70s and it was a concern because when we upgraded the pump station in 2000, cutting those 14-inch pipes resulted in a four-inch opening because incrustations, et cetera had grown in the pipe. When you figure that you got a 14-inch pump trying to pump water through 1,500 feet of four-inch pipe... the overhead cost was substantial.

Cayman Turtle Centre prides itself on animal welfare and ensuring that we have adequate infrastructure. The seaside pump station was desperately needed for the production, welfare, care, and safety of our animals and something I fought for

since 2012, you know, and I was finally able to get it done.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, and I agree with you.

Through you, Mr. Chairman. How was the decision made [on] which one was most important: the pipes or the operational expenses, which are what you require to run the company?

**Mr. Chris Jackson, Chief Executive Officer, Cayman Turtle Conservation and Education Centre Ltd.:** Mr. Chairman, through you, sir.

Both are of great concern and the need for the operation is also there. I just want to note that we applied for this not just now; on seeing the shortfall, the previous board submitted a document to the Ministry in November 2024. Again, if we had gotten the \$6 million we wouldn't be here right now.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** No, no doubt because you would have had the approval for the extra million for the capital, but you're missing my point. It was a budgeted shortfall of a million. You need another million to cover operational [expenses,] which is the most important thing. You got to cover your operations because if you can't cover them, you can't do other things.

As you rightfully said, it was under-budgeted; then there's a discussion about an extra \$1 million being approved; thus, you decide — am I going to put that million towards the operation or capital? I'm asking you, how was that decision made?

**Mr. Chris Jackson, Chief Executive Officer, Cayman Turtle Conservation and Education Centre Ltd.:** I hope I am getting what you're asking. We didn't have an extra million dollars to play with — we had \$5 million. We got \$5 million; we needed \$6 million. The seaside pump station was at \$2.56 million. There wasn't anything we could take from that Capex to supplement the operating cost. It was agreed that that was for the seaside pump station.

**The Chairman:** Thank you very much.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** I'm not trying to belabour the point at all. I think it's being messy, because I was not talking about the approval back in 2023. I'm talking about the new money you got for the seaside Capex after bringing it to the—

**The Chairman:** Mr. Bryan, we are going to bring this to a close.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Yes.

**The Chairman:** The project was \$2.5 million. Getting \$2.5 million meant he either did the project in its entirety or he didn't do the project, and now he'd be sitting with a million-and-a-half excess needing a million still to complete the project. The entity clearly saw the need, from everything I've just heard, to improve operational efficiencies and safety. They chose that and moved forward; we still had a million shortfall from December 2023 when the two-year budget was cut. Now we're here, we're going to get the million dollars.

Member for Bodden Town West.

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

**The Chairman:** Member for Bodden Town West.

Every member must have a fair allocation to questioning. This point has been belaboured.

Member for Bodden Town West.

**Mr. Christopher S. Saunders:** Thank you very much, Mr. Chairman. Through you.

How many visitors did the Turtle Centre have last year?

**The Chairman:** Honourable Minister.

**Mr. Chris Jackson, Chief Executive Officer, Cayman Turtle Conservation and Education Centre Ltd.:** 211,000.

**Mr. Christopher S. Saunders:** Thank you very much and through you, Mr. Chairman. How many staff does the Turtle Centre employ?

**Mr. Chris Jackson, Chief Executive Officer, Cayman Turtle Conservation and Education Centre Ltd.:** One hundred and six.

**Mr. Christopher S. Saunders:** What percentage is Caymanian?

**Mr. Chris Jackson, Chief Executive Officer, Cayman Turtle Conservation and Education Centre Ltd.:** We have three work permit holders.

**Mr. Christopher S. Saunders:** Okay; and in terms of the different tour operators, how many sell tours or sightseeing trips to the Turtle Centre?

**Mr. Chris Jackson, Chief Executive Officer, Cayman Turtle Conservation and Education Centre Ltd.:** About 20.

**Mr. Christopher S. Saunders:** About 20? Those are just the tour operators themselves. I'm talking about the number of employees that those tour operators would also employ in general.

**Mr. Chris Jackson, Chief Executive Officer, Cayman Turtle Conservation and Education Centre Ltd.:** Sorry, I don't have that information.

**Mr. Christopher S. Saunders:** Don't worry, I do.

Here's my point — We have an entity, a centre that has 211,000 visitors, employs over 100 Caymanians directly and 500 Caymanians indirectly that cost us \$6 million a year. I wish we could find one more like this that we can get 200,000 visitors, because if one thing has been shown is that we lack facilities for visitors to our country.

Colleagues, I will say this much: 211,000 visitors, 100 Caymanians employed directly, 500 Caymanians employed indirectly. For \$6 million, that's a steal. I vote yes, Mr. Chair.

**The Chairman:** All those in favour of supplementary expenditure with respect to EI 49 – Cayman Turtle Conservation and Education Centre—

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Mr. Chairman, I have questions outside of that line item about turtle meat. I don't think any other Member is posed to have such a question, so it would be a fairness issue, unless you want to stop me from asking a line of questions about other matters [related] to Turtle Centre.

**The Chairman:** We are going to have five more questions on the turtle farm. Let's have the questions.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you. Can the Minister say — he can ask for assistance from his CEO if he has to — if there are any concerns about the supply of turtle meat to the public?

**Mr. Chris Jackson, Chief Executive Officer, Cayman Turtle Conservation and Education Centre Ltd.:** Thanks for that question.

Mr. Chairman, through you, sir. Cayman Turtle Centre has been the sole supplier of turtle meat, as everyone knows. Turtle meat is and has always been the culture of the Cayman Islands. As a little boy, I remember my grandfather was one of the pioneers who used to bring turtle meat from Miskito Cays back in the early '70s, so I've been around it for quite a while.

The demand for turtle meat has not declined. Rather, it has increased tremendously. The price of turtle meat is also of concern. We sell turtle meat for nine dollars a pound. It costs us \$31 a pound to produce. Okay? Instead of being cultural and seasonal—when I say seasonal I mean Christmas, New Year's, Easter, Pirates' Week, Thanksgiving. Those are the busy times for us.

We have breeders that produce; we don't get any turtles from the wild. Everything is inclusive in the centre. We have turtles that produce eggs, which we

hatch in our hatchery and grow to adults, and of course, some are selected for processing. The number of turtles saved for processing depends on the previous four or five years of their hatchery survival rate, okay; that's where the percentage comes from.

In the past, our ownership agreement supported us producing about 40,000 pounds of meat per annum for the country; because of the demand and the price, we have oversold our commitment so we are basically at 70,000 pounds of meat per year. Thus, we have been reducing meat for the last three or four years and we are down now at about 20 to 25 per cent of what we would normally sell. The reason for that is we need to manage and take care of our stock so that we can have meat, as a delicacy and a cultural dish in the Cayman Islands throughout the year.

We definitely don't want to have to stop and say we can't sell meat for several months, only at peak times. We don't want to do that. As managers and management of the processing area— and it all depends on our breeders... Remember, now, we have animals helping us, so it all depends on the cycle of eggs they produce, so it is critical for us to manage our workload.

I remember when I first started working at the Turtle Centre, we used to send 500 to 600 pounds to Cayman Brac every two weeks. We can't do that anymore. The problem is it is being commercialised, okay? The restaurants — I know I'm going to get heat for it, but I'm saying how it is. The restaurants are buying it at \$9 a pound to make a profit. Where can you go in the Cayman Islands to any supermarket and buy beef, chicken, oxtail, fresh local snapper filet — I did the audits. I walked around and took prices: \$13.99 a pound for local filet snapper, right? Yet, Turtle Centre is selling meat at \$9 a pound.

The problem we had at one point, which we put our foot down, was that cars were actually going around the construction sites selling turtle meat. Come on now, guys, we need the support. We need you to trust us that we can grow our herd back — which we will, we will; and manage the price of turtle meat. Increasing the price of turtle meat by probably \$4 a pound is not going to take us out of the gap we are [in] because at the same time, if we increase the price of turtle meat, we are also reducing the amount of meat that we sell; so increasing it and decreasing the volume is not really helping us any better financially but that's not the point.

The point is for us to have turtle meat continually throughout the year, for everyone to get it, whether it's only five or 10 pounds; but when people come down and want 15 to 40 pounds at a time, it's hard to be able to fill those orders like how we used to.

**The Chairman:** Thank you very much, Mr. Jackson.

I think the point has been very eloquently made and I think it's fair to say that the members of this Committee, especially those of us who have been knowledgeable about this subject for a long time,

congratulate you and your staff for the work that you've done, [particularly] the work that you've done to maintain sustainability so that we at least still have turtles to actually butcher.

I then put the question: All of those in favour of the supplementary expenditure in respect of EI 49 - Cayman Turtle Conservation and Education Centre Limited for the amount of \$1 million being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: EI 49 passed.**

**The Chairman:** Honourable Minister.

**Hon. Gary B. Ruty, Deputy Premier:** Mr. Chairman, thank you very much for that.

I also want to thank the CTC team for coming here today and giving a detailed explanation, and thank the 98 Caymanians whom they have left behind at the Turtle Centre for producing good turtle meat and continuing to grow turtles for us.

Thank you.

#### **HES 1 – Policy Advice and Ministerial Services to the Minister of Health, Environment and Sustainability**

**The Chairman:** And Cayman Brac.

HES 1 – Policy Advice and Ministerial Services to the Minister of Health, Environment and Sustainability for a reduction of \$604,000. Are there any questions on this item?

*[Pause]*

**The Chairman:** Members, we will suspend proceedings for 15 minutes.

**Committee suspended at 6:17pm**

**Committee resumed at 6:40pm**

**The Chairman:** Members, let us reconvene proceedings of the Finance Committee.

Please be seated.

Members, before we took the evening mini break, we reached HES 1 – Policy Advice and Ministerial Services to the Minister of Health, Environment and Sustainability for a reduction of \$604,000. Are there any questions on this item?

**Hon. Joseph X. Hew, Leader of the Opposition:** Mr. Chairman.

**The Chairman:** Honourable Leader of the Opposition.

**Hon. Joseph X. Hew, Leader of the Opposition:** Mr. Chairman, can I ask the Honourable Minister responsible whether there is funding here for the Iguana Culling Programme?

**The Chairman:** Honourable Minister.

**Hon. Katherine A. Ebanks-Wilks, Minister of Health, Environment & Sustainability, Elected Member for West Bay Central:** Thank you, Mr. Chair through you.

No, this line item, HES 1, is for policy advice and ministerial services. Because we have savings in that we're just doing a [section] 12 and transferring it over to HES 7, which we can discuss after.

**Hon. Joseph X. Hew, Leader of the Opposition:** Thank you, Mr. Chairman, through you. Yeah, we were questioning that; you're doing a section 12 to reduce the Appropriation, and then another section 12 to increase HES 7?

**The Chairman:** As part of the entire mix for the Ministry, this particular Appropriation is reducing and everything else is increasing as the Minister identified savings in that Appropriation.

*[Crosstalk]*

**The Chairman:** All those in favour of the reduction to HES 1 - Policy Advice and Ministerial Services to the Minister of Health, Environment and Sustainability by the amount of \$604,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Hon. Juliana Y. O'Connor-Connolly, Elected Member for Cayman Brac East:** Sorry, Mr. Chairman.

You might already have explained it, but did I hear you say a reduction and we are using section 12 to do that? Not usually the norm, is it?

**The Chairman:** You're right, Member. It's not the norm, but the Minister realised savings in this area and we wanted the output to reflect as accurately as possible what we are projecting for year-end so we decided—as it's not outside the law—to do so. We brought it to be transparent to the Committee. It's a net increase.

*[Inaudible interjection]*

**The Chairman:** HES 1 stands reduced by \$604,000 and is approved.

**Agreed: HES 1 passed.**



**HES 7 – Collection, Recycling and Disposal of Waste**

**The Chairman:** HES 7 - Collection, Recycling and Disposal of Waste for an amount of \$1,729,000. Are there any questions on this item?

Honourable Leader of the Opposition.

**Hon. Joseph X. Hew, Leader of the Opposition:** Thank you, Mr. Chairman, through you. Perhaps the Minister could give us a breakdown on where these funds are being used.

**Hon. Katherine A. Ebanks-Wilks:** Sorry, Mr. Chairman, I was answering another question on my side here. Can the Member repeat his question, please?

**Hon. Joseph X. Hew, Leader of the Opposition:** Thank you. Certainly, Mr. Chairman; through you.

Just for clarity. Can the Member please give us a breakdown of what the \$1.729 million would be used for?

**Hon. Katherine A. Ebanks-Wilks:** Yes. This will be used for the removal and recycling of the used tyres and end-of-life vehicles at the George Town landfill. I think probably everyone is becoming a bit concerned with the tyre stockpile so it would go towards removing all the tyres. Also, for those of you who have been to Cayman Brac recently, there is a very tall stockpile of metals, so remove that [as well].

**Hon. Joseph X. Hew, Leader of the Opposition:** Thank you to the Member for that response.

Through you, Mr. Chairman. Will this be done by the private sector? Is this for private sector contracts or a combination?

**Hon. Katherine A. Ebanks-Wilks:** Thank you, Mr. Chair. It will be put out on Bonfire.

**The Chairman:** Mr. Tatum.

**Mr. A. Roy Tatum:** Thank you, Mr. Chairman. Just curious, can the Minister advise, in terms of scrap metal on Cayman Brac, whether the plan is to remove all the scrap metal that is there now or just some?

**Hon. Katherine A. Ebanks-Wilks:** We're going to move it all, sir. That's the plan.

**Mr. A. Roy Tatum:** Good to hear. Thank you very much.

*[Inaudible interjection]*

**Hon. Katherine A. Ebanks-Wilks:** Just to clarify, I was referring to Cayman Brac. Yes, sir.

**Mr. A. Roy Tatum:** Mr. Chair, are the tyres going to be shredded? It says recycling. What does "recycling" mean, exactly?

**Hon. Katherine A. Ebanks-Wilks:** Mr. Chair, through you. I'd just like to double check with my team before I venture to answer that.

*[Pause]*

**Hon. Katherine A. Ebanks-Wilks:** Thank you, Mr. Chair. To answer the Member's question: the tyres will be shredded and then shipped out.

**The Chairman:** Mr. Tatum.

**Mr. A. Roy Tatum:** Thanks very much for that answer. Final question, if you could confirm.

I'm assuming the answer is yes, but if you could confirm that in the upcoming Strategic Policy Statement (SPS) we will be hearing something about a new plan and the way forward for waste management in Grand Cayman and the Sister Islands.

**The Chairman:** Honourable Minister.

**Hon. Katherine A. Ebanks-Wilks:** Mr. Chair, through you. Yes, I give the Member a commitment that he will be hearing more about the waste management solution when we meet to discuss the SPS.

**Mr. A. Roy Tatum:** Thank you.

**The Chairman:** Honourable Leader of the Opposition.

**Hon. Joseph X. Hew, Leader of the Opposition:** Thank you. Mr. Chairman, through you. I ask for some leeway on this one; I have had a number of my constituents who are involved in the Iguana Culling Programme say to me they have not been paid for a couple of months now.

**Hon. Katherine A. Ebanks-Wilks:** Mr. Chair, through you. I'd just like to say to the Member that typically, or to my knowledge, the payments are usually turned around fairly quickly, but if you have a concern, please bring it to my attention and I will ensure the payments are made expeditiously.

Mr. Chair, just to say that I became aware of just one last night. I'm not saying that there aren't some outstanding payments, but since taking office and previously when I was a Minister, those payments are usually turned around fairly quickly, so I'll ensure it is done.

**Hon. Joseph X. Hew, Leader of the Opposition:** Thank you, Mr. Chairman. Through you, I can reliably inform that some cullers' [payments] were outstanding for almost two months. They were being told they would

have been paid just over a week ago, and they received half of the money so...

**The Chairman:** Honourable Minister, can you give the Committee an undertaking before this vote is taken that you will have your Ministry staff investigate this and ensure that cullers are paid?

**Hon. Katherine A. Ebanks-Wilks:** Thank you, Mr. Chair. Through you, I do give that commitment. My Chief Officer and Ministry team are here so they've already heard and I am sure they will be on it before we leave this evening.

**The Chairman:** Honourable Deputy Leader of the Opposition.

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

Through you, Mr. Chair. Can the Minister say if there are any plans for a separate approach to recycling electric car batteries as it has been a concern how we are going to deal with them and safety from a fire perspective?

**The Chairman:** Honourable Minister.

**Hon. Katherine A. Ebanks-Wilks:** Mr. Chair, through you, I can say that I've been speaking with the Director of the Department of Environmental Health (DEH) and his team, and we are looking at the concerns around the export of the batteries.

**Mr. A. Roy Tatum:** Mr. Chair, the question on culling tweaked my memory. Someone made a comment to me a week or two back that they understood the existing culling programme was being stopped. Is that actually the case or is that just false, and the culling programme that has successfully been in place for several years will be continuing.

**Hon. Katherine A. Ebanks-Wilks:** Mr. Chair, through you. That is false.

There have not been any discussions about ending the culling programme. I think it would defeat the purpose of all the money the government has invested in eradicating the Green Iguana that are nuisance to many, especially to the good farmers in the room and those who are listening.

**Mr. A. Roy Tatum:** That was my response. Thank you, Mr. Chairman. Thank you very much.

**The Chairman:** Deputy Leader of the Opposition.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chair. With respect to the end of life for vehicles, can the Minister say exactly how the programme works?

I have a basic idea; it's just that I was troubled by a conversation I had Tuesday, whereby a non-Caymanian who has been living here for a while wanted to get rid of their vehicle at the dump but was told they are not accepting any more vehicles. I said, *no, no, no, maybe it's [only for] a time period that they are not taking them right now because they go through in batches, take what they can, deal with them, then ship them out and then take another batch.* Am I correct? Is that how it works?

**Hon. Katherine A. Ebanks-Wilks:** Mr. Chair, can I ask for a minute just to consult with the Director?

[Pause]

**Hon. Katherine A. Ebanks-Wilks:** Mr. Chair, to answer the Member's question: Perhaps the reason the individual might have been turned back is because one of the concerns that tends to happen with individuals who bring their vehicles to DEH for disposal is that they're not aware that there is a step that needs to take place first, which is the deregistration which needs to be done at DVES [sic]. That's probably something we could do a little bit more, namely educating the public but the deregistration needs to take place first, then they would take proof of it to the DEH facilities and they would deal with it from there.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you so much, Minister.

Through you, Mr. Chair, just to confirm there is no cost for that because we collect the cost up front when a car is imported, right? Correct?

**Hon. Katherine A. Ebanks-Wilks:** Yeah, I think that cost is already incorporated with registration.

**The Chairman:** Any further questions?

All those in favour of supplementary expenditure with respect to HES 7 – Collection, Recycling and Disposal of Waste for an amount of \$1,729,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: HES 7 passed.**

## HEA 2 – Medical Care for Indigents

**The Chairman:** HEA 2 - Medical Care for Indigents, for an amount of \$8,250,000.

Members will recall that back on June 6<sup>th</sup> we appropriated a similar amount to the Minister, and at the time, informed the Committee that we would be back in September to complete this Appropriation. This

is the additional \$8,250,000 that we knew would be coming back. Are there any questions on this item?

**Mr. Christopher S. Saunders:** Mr. Chairman.

**The Chairman:** Member for Bodden Town West.

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

Mr. Chairman, you know this is an area of great concern for me and I'm sure [for] other Members. I am curious—and this is dealing with the governance of this vote in general—what is the starting salary for a nurse at the HSA?

**Hon. Katherine A. Ebanks-Wilks:** Mr. Chair, can I just have a minute to consult with the team?

[Pause]

**Hon. Katherine A. Ebanks-Wilks:** Mr. Chair, through you, to answer the Member's question: C\$75,000 per annum.

**Mr. Christopher S. Saunders:** Thank you very much—\$75,000. The starting salary for a doctor?

**Hon. Katherine A. Ebanks-Wilks:** Mr. Chair, through you, as this seems to be about personnel matters, can I just ask the CEO to respond to these questions?

**The Chairman:** Certainly, I welcome to the Chamber, as part of your team, Ms. Lizzette Yearwood, the CEO of HSA, to answer on behalf of the Minister.

**Ms. Lizzette Yearwood, Chief Executive Officer, Health Services Authority:** Through you, Mr. Chair, a junior doctor's starting salary is approximately \$110,000 per annum and a consultant \$138,000 per annum.

**Mr. Christopher S. Saunders:** Ok, thank you.

I'm sure you probably would have seen the article in today's *Compass*. I reached out to the *Compass* and answered a few questions they had, based on the last time we met in the Finance Committee on these issues and the concerns I raised. I am curious, through you, Mr. Chairman to the CEO — our payment process for Board members, what is it?

**The Chairman:** Madam CEO.

**Ms. Lizzette Yearwood, Chief Executive Officer, Health Services Authority:** Through you, Mr. Chair. The Board's Secretary is tasked with keeping board members' attendance at all the meetings.

At the end of the month, the Chair reviews the attendance and submits a request to the CEO's Office (either myself or the Deputy CEO), who checks the

attendance against the terms of reference for the various subcommittees and verifies the attendance before it goes to finance for payment.

**Mr. Christopher S. Saunders:** Thank you very much for that.

Now, as a matter of full disclosure. One of your former senior managers who is a good friend and constituent of mine raised issues with regard to this process. I was furnished a copy of the letter which I have shared with other Members of this Committee, including the Premier, the Minister of Finance, and the Minister of Health, expressing concerns he had with regard to board compensation.

Something I am concerned about, and I'm going to be very careful with my questions because he was victimised and left the HSA, and I don't want to put you in a similar position because at the end of the day, I strongly suspect this is going to end up before the Public Accounts Committee. What is the quorum for the Board; how many members make up the quorum for the Board?

**The Chairman:** Madam CEO.

**Ms. Lizzette Yearwood, Chief Executive Officer, Health Services Authority:** Through you, Mr. Chair, the Board consists of seven non-executive members, so the quorum would be four.

**Mr. Christopher S. Saunders:** The subcommittees, are they normally a majority plus one? Is that the general rule?

**Ms. Lizzette Yearwood, Chief Executive Officer, Health Services Authority:** Through you, Mr. Chair, the terms of reference call for three members as quorum for the subcommittees.

**Mr. Christopher S. Saunders:** Okay.

First, I want to go on record and thank the Honourable Minister of Finance for furnishing this information to me, which is actually quite helpful. There are two months that jumped out at me and gave me pause or cause for concern — basically August and September 2024. Now, per my records, the HSA had two meetings in August 2024. Based on the information that was provided to us, there were two meetings for the month of August 2024.

Now, as I looked at the Directors' payments for August 2024, I noticed all directors got paid for one meeting except one who got paid for two meetings, and I'm trying to figure out how it is — and you can go back and check your numbers because I don't expect you to have this information [here]. I've tried my best to work out the combinations... maybe some directors were at this meeting, some at that meeting; tried to work out the combination of how every single director got paid for one meeting but one director got paid for two meetings.

It's ironic because they were two months I looked at randomly, and then September 2024, is where the rubber really meets the road. According to the information that was supplied to me by the Minister of Finance, who is the Chairperson — and again, I want to thank him publicly, there were 18 meetings of the Board in September 2024.

Now bear in mind that, for the ease of members to understand, HSA Board members received \$500 per meeting; the Deputy Chair got paid \$600 per meeting; and the Chairperson got paid \$750 per meeting. In the month of September alone, there were 18 meetings held by the Board and subcommittees yet, for the month of September, one Member got paid \$10,500 which means, at \$500 per meeting, that is 21 meetings. I would like to know how the information the Board person supplied had 18 meetings, but one Board Member got paid for 21 meetings.

I want to make one thing clear, Mr. Chairman: there are members on the Board who have normal regular payments, but there are three Board members in particular who based on information and again, I want to thank you for it, abused the system. Just to put it in context, over a three-year period the Chairman received \$193,500 in payments. Okay? Over the same period, the deputy chair received over \$177,000 in payments. Now, these are the kinds of monies that [should] go towards paying nurses, doctors, and hospital staff. As I go down the list, and I've seen the rate, it is obscene that in an 18-month period, the HSA racked up \$490,000, almost half a million dollars in Board directors' fees because of this "per meeting" approach and today I read in the newspaper that they had the audacity and the temerity to say this compares with other jurisdictions?

Well, I can tell you, for Members in here who know that we travel around the Caribbean and we have friends; I personally reached out to the Minister of Health in Jamaica this morning. I sent him the article, and [asked], *does this compare to what you are paying your [Board] members?* He said, "*not my Boards*". His Boards are paid the equivalent of less than US\$100 per meeting and they only have one meeting per month. In short, they are getting paid roughly CI\$1,000 equivalent per year as Board members within the Jamaican health system. Then, to talk about the UK National Health Services compensates non-executive directors between \$12,000 and \$25,000 per annum. The UK health system is over 1,000 hospitals in the National Health Service (NHS) and over 100,000 beds and they are basically being paid \$25,000 tops; and here we are paying people \$46,000, \$32,000, \$72,000 and \$64,000 a year.

Mr. Chairman, in the interest of time: I recognise there are serious issues here and this is not going to solve the problem that we have today [but] I need to put my concerns out there. I'm going to ask for those who are involved with governance to look at the compensation of these meetings that are being called,

look at the whistleblower — who was my constituent, my good friend who was victimised in the process — and also turn this over to the relevant authorities to investigate. I can tell you right now... I am not even going to use the word.

I will also take this up with Mr. McTaggart, the Member for George Town East, as Chair of the Public Accounts Committee, where we can really delve into this issue, really dive into it. This isn't the forum for it, but I just need to put the Minister and the Government on notice that this cannot stand in this country. You cannot rack up \$490,000 in fees when you are calling meetings — and from what I understand, some of those included ribbon cutting, whereas [Board] members showed up at the HSA to cut a ribbon and it cost the hospital over \$3,000—\$750 to cut the ribbon and another \$2,000-and-something for people to watch [other] people cut the ribbon. We sit here and talk about helping people when the very people we are entrusting to look after the people are ripping off the system? This cannot work.

Mr. Premier, you were copied on the email. I want to thank you, the Minister and your Government for providing information, but we need to look into this or you all can deal with it before we get to it but this *cannot* stand. This isn't right!

Thank you.

**Hon. Katherine A. Ebanks-Wilks:** Mr. Chair, I thank the Member for his contribution and while I think he said much, what I can say is that the Ministry is right now working on putting together a proposal to take to members and the Deputy Governor as it relates to taking on some of the recommendations that have recently been made as it relates to consolidating the stipend for each meeting to be equivalent to what we've seen with some of the other SAGC governing Boards such as the Utility Regulation and Competition Office (OfReg) and CIMA, which have a set fee versus fees for every meeting.

Something else that came up was this whole interpretation of "meeting" and having subcommittee meetings. Not disputing, you know, what took place previously, but what I can say since taking on the role as Minister is that I do know the Board meets often. Recently we've been meeting about the budget; about issues relating to serious concerns around mental health... Everyone's seen it in the media, as it relates to our youth and adolescents. There is [also] an issue relating to a privileged matter in the courts with a physician, so [I am] not disputing the frequency of meetings but I think what we need to do is look at how to address it and, as you said, move toward better governance.

Certainly, our Auditor General and the Public Accounts Committee are here to have checks and balances in place, so I welcome the Member to do that, but just to say that at the Ministry we are moving towards rectifying the matter.

**Mr. Christopher S. Saunders:** I am very happy to hear that but the advantage, or I guess maybe in some cases disadvantage, is that both the Chairman and me are actually former directors of the HSA; myself also being a former Chair of the finance subcommittee of the HSA Board and [as] one of the very first Board members when the HSA was reconstituted under then minister, Mr. Gilbert McLean, I can tell you it was never, ever envisaged because at the end of the day, this is still public service.

Let's not kid ourselves. This country has been good to many people. Yes, we need to professionalise the Boards; yes, people need to be compensated, but the thing about it is this, through you, Mr. Chairman, to the Honourable Minister. The last time I quoted these numbers, I deliberately left out 2024 even though I had the numbers. Like I said, I live well with people.

The first disingenuous excuse that was given was the Joint Commission International (JCI) accreditation process. I can tell you, for ease of reference, this is the JCI accreditation book. I read it on my vacation over the summer and I have yet to find anything in this book that involved the Board, but that was what they put out in the public domain. The irony about it is that back in 2022, the total compensation for the Board was \$250,000. In 2023, it was roughly almost \$251,000, and the 12 months after the JCI Accreditation it was \$349,500, which goes to show that using the JCI accreditation, which the Board had nothing to do with, was nothing but utter nonsense.

They, the people who were there to protect the system, basically ripped the system off. The number of people in the HSA who reached out to me on this very issue of what the Board was doing. Some of the members, I'm not going to say all of them, but some of them in particular, need to be dealt with; I was really surprised when some of them got reappointed even after what they did has come to light.

I will leave it at that. Like I said, we have another forum to deal with it, but I can tell you, this is not going to work.

**The Chairman:** Member for Cayman Brac East.

**Hon. Juliana Y. O'Connor-Connolly:** Thank you, Mr. Chair. By way of an observation, I think in future it might behove the interest of the Committee if we would invite the Chairs of these statutory authorities or Boards, because it is not fair to the general public that we have the CO in the chair, and other administrative and Ministry staff who don't understand how the governance works. They could easily be blamed or finger pointed. Based on my knowledge and experience, neither the CEO, the doctors, nor administrators set or called the meetings. They basically process the system, so we're basically having a public forum without the main witnesses here. I rest my case.

**The Chairman:** I would agree totally. Certainly, going forward, it is something all of us as Ministers need to ensure whereas, if any of our subjects are going to be called, in particular an SAGC, the Board Chairs have to come to the Committee because there may be times when the line of questioning is more about governance versus the operations.

I thank the CEO for answering the questions, and I thank the Member for Bodden Town West for his restraint and ensuring that he put his points forward without questioning the CEO directly because, as the Member for Cayman Brac East quite rightly stated, it would have had nothing to do with her or the administrative staff.

Honourable Minister.

**Hon. Katherine A. Ebanks-Wilks:** Thank you, Mr. Chair. I would like to acknowledge [what] the Member for Cayman Brac East said. I do agree and as you just mentioned, Mr. Chair, I didn't make it clear that I needed the Board Chair here today. I take responsibility for that and I will ensure that going forward that communication is made properly.

**The Chairman:** Deputy Leader of the Opposition.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chair. Unfortunately, the information I'm requesting came from the Member for Bodden Town [West]. I wonder if he could repeat those figures and what years they were in because I don't even know how to express how I feel to know that a Director on the Board made \$150 million in a year.

**Mr. Christopher S. Saunders:** In three years, \$193,500.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Sorry, not million; my apologies. One hundred and what?

**Mr. Christopher S. Saunders:** \$193,500.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Over how long?

**Mr. Christopher S. Saunders:** Between 2022 and 2024.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Okay, so they were on the Board for that long.

**Mr. Christopher S. Saunders:** That was only three years; they were there before too. I just looked at the three years.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Got you.

Mr. Chair, if I could ask one last question. You were saying your numbers were up to the election, so this doesn't include the current Board, right? I just want to make sure that I'm not pointing my investigations... because I'm now vested in what went wrong. I saw the article too, but I didn't get into it too deeply. Obviously, the Member has done his homework in that respect and I don't want to be looking for something in the wrong direction. Are you talking about the Board before the current one, because I think it was just recently changed, correct?

**Mr. Christopher S. Saunders:** Some of the members carried over.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Okay, I'll leave it there.

Thank you, Mr. Chairman.

**Hon. Katherine A. Ebanks-Wilks:** Mr. Speaker, I'd just like to clarify to Members that in accordance with the provisions of the Public Health Act for the [Board] members, obviously, there's a criteria to remove members. None of the Board members have met the criteria and so no members have been reappointed. We are simply moving forward and appointing members as we go along.

**Mr. Christopher S. Saunders:** The Public Authorities Act allows you to remove members for misbehaviour. You can remove them at any time. Now, it does require keeping a third on, but I can tell you, you can keep a third on and get rid of the bad actors.

Mr. Chairman, like I tell people, this is what happens when they victimise people. I would advise them to go to the Elections [Office] website ([www.portal.elections.ky](http://www.portal.elections.ky)) and see whether they are registered to vote, and if they are registered in Bodden Town West, know that I'm coming behind them.

**The Chairman:** Are there any further questions?

[Pause]

**The Chairman:** Since there are no further questions, all those in favour of supplementary expenditure with respect to HEA 2 - Medical Care for Indigents for an amount of \$8,250,000 [to] be approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: HEA 2 passed.**

## HEA 16 – Geriatric Services

**The Chairman:** We move on, Members, to HEA 16 - Geriatric Services for an amount of \$2,696,000. Are there any questions on this item?

Honourable Leader of the Opposition.

**Hon. Joseph X. Hew, Leader of the Opposition:** Thank you, Mr. Chairman.

Through you, I just have an inquiry on geriatric services and maybe it will go over to HEA 17, but I have an elderly constituent who isn't indigent. I mean, he can take care of himself, but his private insurance went up to \$5,500 a month so he had to give it up and get CINICO; however, in the first three months, he exhausted his CINICO coverage. He has enquired and says he has been told that he cannot top up that policy. He's Caymanian; no, I said he is not indigent.

**Hon. Katherine A. Ebanks-Wilks:** Then that is what that line item is for. When the insurance episode max has been met or the annual max has been met, the line item is there to give supplementary insurance.

**Hon. Joseph X. Hew, Leader of the Opposition:** He didn't go through the Department of Financial Assistance (DFA); he just purchased a CINICO Pro plan. However, he has exhausted his premiums after the first three or four months, and now he's seeking to top up that plan. I don't know... There has to be another avenue, somewhere they go from that because they won't qualify under the DFA scrutiny.

**Hon. Katherine A. Ebanks-Wilks:** Mr. Chair, can I just take a minute to consult with my team, please?

[Pause]

**Hon. Katherine A. Ebanks-Wilks:** Mr. Chair, just to go back to what I said earlier, the top-up relates to an episode max, so if a patient is being seen for a particular treatment and they go over, I think if my memory serves me well, \$25,000 episode max, then they could apply for this top-up for that particular episode but if it's ongoing, the line item doesn't contemplate long-term treatment. That is something that we'd have to determine whether CINICO could assist with.

**The Chairman:** Minister, can you then dovetail that with anyone who is referred to in the old parlance as "medically indigent"? I think what the Member is seeking is when persons become medically indigent, not episodic indigent, medically indigent.

**Hon. Katherine A. Ebanks-Wilks:** This line item would be to give them interim support while we liaise with them to get them on the medically indigent policy through the Department of Financial Assistance.

**Mr. Christopher S. Saunders:** Mr. Chairman.



**The Chairman:** Member for Bodden Town West.

**Mr. Christopher S. Saunders:** I'm looking at a document that I think every Member in this House is familiar with — at least I hope they are. The Constitution.

Section 17 of the Constitution, deals with the protection of children and it reads, “**17.—(1) In addition to the provisions of this Part which afford protection to children, the Legislature shall enact laws to provide every child and young person under the age of eighteen (referred to in this section as a “child”) with such facilities as would aid their growth and development, and to ensure that every child has the right [in particular]—**

**(c) to basic nutrition, shelter, basic health care services and social services;”**

I'm actually in the process of writing to the Honourable Attorney General to get an interpretation of that section of the Law because, as it's written, it almost sounds as though the government is obligated to provide basic health care services for Caymanian children under the age of 18; so when I see this description as provision for medical care beyond insurance coverage/uninsured children which includes general practise, et cetera, I think we need to get an interpretation. As you all are putting together your vote, at least look at that constitutional obligation where children are concerned and at least carve that out separately because I think it may be a legal obligation that we as a legislature should have with regard to providing basic health care or a basic health care plan for children as per the Constitution.

Thanks, Mr. Chair.

**The Chairman:** Honourable Minister.

**Hon. Katherine A. Ebanks-Wilks:** Mr. Chair, through you, just to say to the Member that there is a provision in place which is HEA 17; and it is for the provision that he just spoke of—

*[Inaudible interjection]*

**Hon. Katherine A. Ebanks-Wilks:** No, no, no. I'm just pointing out that there is a provision to care for children in accordance with the Constitution, as you just mentioned.

**Mr. Christopher S. Saunders:** Which vote are we on? 16 or 17?

*[Inaudible interjection]*

**Mr. Christopher S. Saunders:** Oh, sorry, I was on 17. I moved ahead, I apologise. I thought we were on 17; my bad.

**The Chairman:** Are there any further questions on HEA 16 - Geriatric Services? *[Pause]* As there are no

further questions on HEA 16 - Geriatric Services, I'll put the question.

All those in favour of supplementary expenditure with respect to HEA 16 - Geriatric Services for an amount of \$2,696,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: HEA 16 passed.**

### **HEA 17 – Medical Care beyond Insurance Coverage/Uninsured**

**The Chairman:** HEA 17 – Medical Care beyond Insurance Coverage/Uninsured for an amount of \$586,000 is now open for questions.

**Mr. Christopher S. Saunders:** Yeah, I prematurely asked about HEA 17 with regard to children and the constitutional protection. Looking at the description of the vote, I think, at a minimum, it should reflect more of our obligations as opposed to saying uninsured. I think it's something we need to look at and I intend to raise it separately tomorrow in our meeting. It is one of the issues that is near and dear to me.

**The Chairman:** Are there any other questions on HEA 17? *[Pause]* There are no other questions on HEA 17. I put the question.

All those in favour of supplementary expenditure with respect to HEA 17 - Medical Care beyond Insurance Coverage/Uninsured for an amount of 586,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: HEA 17 passed.**

### **HEA 19 – Medical Care for Chronic Ailments**

**The Chairman:** HEA 19 - Medical Care for Chronic Ailments for an amount of \$1,456,000 is open for questions. Are there any questions? *[Pause]* There are no questions.

All those in favour of supplementary expenditure with respect to HEA 19 - Medical Care for Chronic Ailments for an amount of \$1,456,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: HEA 19 passed.**

### NGS 55 – Tertiary Medical Care at various Local and Overseas Institutions

**The Chairman:** NGS 55 - Tertiary Care at various Local and Overseas Institutions in the amount of \$20,537,000. It is open for questioning.

I will remind Members that this is the same line item that has been a longstanding and vexing budgetary item. It was brought to the Committee in June of this year, and as we committed to the Minister, she and her team would get half of the requested amount at that time and another half now; this is the second half. On page 22 of the Schedule, you'll see that notation. Are there any questions for this item?

**Mr. Christopher S. Saunders:** Mr. Chairman.

**The Chairman:** Member for Bodden Town West.

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

One of the issues that came up in the last Public Accounts Committee was the medical costs to civil service pensioners. At the time, we were looking at \$46 million but based on the revised Appropriation on page 23, I know it's going to go up to \$54 million — but that's irrelevant. In a nutshell, we pay for insurance for civil service pensioners, which I understand is about 2,200 to 2,300 civil servants and their dependents, et cetera, and the cost for us is \$54 million now; I guess revised for 2024.

Then, when I look at HEA 2 and NGS 55, which the last time we did an analysis it was covering around 2,000 to 2,100 people, the question I want to ask is: If we are looking to save money, and recognising that \$54 million is what it costs us to insure 2,300 people, wouldn't it be cheaper to pay another \$54 million to insure another 23 million *[sic]* people as opposed to the blank cheque we have, between NGS 55 and HEA 2, which is basically \$20 million more?

**The Chairman:** Member, one of the projects that we are undertaking in the Ministry of Finance this year, as in 2026, is to look globally at health coverage in Cayman. For too long, we have had this discussion in this Chamber, whether it was in Finance Committee or the Legislative Assembly, or now Parliament; and we have talked about the fact that private health coverage is provided to [people] when they are well and as soon as they become elderly or they max out their coverage, they become the government's responsibility.

As a Member mentioned recently in this meeting of the Finance Committee, having a constituent who, once they reached retirement age, was charged an unusually high amount for health cover. We know what happens to those persons, they then get coverage under these types of line items by the government, and so we've had a system where we've allowed the private sector to profit on people

when they are young and/or healthy, and then the government takes responsibility when they are no longer healthy.

This is not new, this is no big revelation. This is something that we have been talking about for decades, and so we are going to do a study to look globally at what our health system looks like, to come back to Caucus, and then to all Members of the House with a concrete proposal to fund health care nationally, at a level that provides adequate coverage, that is, not SHIC (Standard Health Insurance Contract).

To your point earlier, if we don't do so and be serious about it, these costs are just going to continue to escalate as we've watched them escalate over the last few decades and all that will happen is that persons who get private provision pay those premiums to private institutions who make a profit when they are healthy, and the government is ultimately the backstop or the government ultimately holds the bag. I'm not suggesting that there will not be an option for persons who might want top up or private coverage, but certainly in my mind's eye the time has come for us to grab this bull by the horns and actually do something about it because what we are doing is completely and wholly unsustainable.

I'm convinced that if we looked at what government has paid out through these various line items over the last decade and at the profit level in the private sector—I'm not saying that profit level is necessarily going to cover it all, but it certainly would make a much bigger contribution than the per premium payment that is made per policy, which is a drop in the bucket so Member, I can tell you that it is a serious piece of research we're going to do and we will be coming back to Members of this House with a concrete proposal on the way forward because what we're doing cannot work; it's unsustainable.

**Mr. Christopher S. Saunders:** Mr. Chairman, thank you very much for that. I'm very encouraged to hear it, but I also want to have Members consider something. About two or three days ago, I had a conversation with Gilbert McLean, the Minister who brought in CINICO. In the conversation, he actually refreshed my memory because back when CINICO was created, four plans were supposed to be launched, which would have made CINICO a truly national insurance company, but only one was launched. Due to private sector lobbying, [private] interests, et cetera, the other three never materialised.

In one of the analyses we did, I think either for 2022 or 2023, we looked at the health care industry's overall profit as per CIMA's Annual Report. Again, I'm just going by memory so just bear with me, the health insurance industry had \$19 million in profit across the entire health care industry, as per CIMA, and of that \$19 million a little over \$10 million actually belonged to CINICO and the reason I raise that is because the other insurance companies' profit was only \$9 million spread



across several companies. We saw what happened with Generali. When it [left], many people with pre-existing conditions and so forth could not get affordable health insurance. We have an ageing population; when it becomes unprofitable and these companies eventually pull out, we're going to be stuck again.

Again, the whole purpose of insurance is to spread risk, so I'm really encouraged to hear that you all are looking at this holistically because we need to accept that (1) health care is a human right; and (2) if we do not nip this, it is going to bankrupt this country. That's as plain and simple as I can put it, so I am very encouraged to hear it.

If there is anything that we on this side can do to help, I'd be more than happy to.

Thank you, Mr. Chairman.

**The Chairman:** Are there any other questions on NGS 55?

Honourable Deputy Leader of the Opposition.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chairman. Can the Minister remind us what the original appropriation was for 2024, please?

**Hon. Katherine A. Ebanks-Wilks:** Mr. Chair, through you. I certainly can and could go further back if you'd like me to as well. The allocation for 2024 was \$14,426,032.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** What was the ending amount spent in 2024?

**Hon. Katherine A. Ebanks-Wilks:** Sorry, you said 2024 or 2025? My apologies. I gave you 2025. For 2024, the original budgeted amount was \$18.6 million. The actual expenditure was \$57.9 [million].

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** And for 2025?

**Hon. Katherine A. Ebanks-Wilks:** Certainly. The original budgeted amount was \$14 million and the actual expenditure was \$55 million.

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

Can I ask just one more question? Do you have the difference in the total under budgeted amount for this NGS 55 for the two years? What was the total amount collectively?

**Hon. Katherine A. Ebanks-Wilks:** Approximately \$80 million?

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** That it was under budgeted by?

**Hon. Katherine A. Ebanks-Wilks:** That's consolidated. For 2024, there was \$40 million in supplementary funding because the Minister was only given \$18.6 million. Then, so far there's been \$41 million in supplementary funding for 2025. The Minister was only given \$14 million.

Mr. Chair, I will ask for your indulgence to allow the Chief Financial Officer (CFO) to chime in, as I am no accountant.

**The Chairman:** I invite Troy Claxton, the CFO for the relevant Ministry, to assist with the under budgeted calculation for 2024 and the projection for 2025.

**Mr. Troy Claxton, Chief Financial Officer, Ministry of Health, Environment and Sustainability:** Troy Claxton, CFO, Ministry of Health, Environment and Sustainability.

Thank you, Mr. Chair. Through you, can I ask the Member to repeat the question, please?

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Sure. Through you, Mr. Chair and through the Minister to the Officer, I just want to know what the total amount that was under budgeted for the budget period of two years is. The collective amount.

**Mr. Troy Claxton, Chief Financial Officer, Ministry of Health, Environment and Sustainability:** Sure. Thank you for that question Member.

For 2024, the original budget that we had was \$18.6 million and the actual expenditure for the year was \$57.9 million. Therefore, we are under budget \$39.295 million. You can round that to approximately \$40 million.

For 2025, the original budget approved \$14.426 million. The projected expenditure for 2025 is \$55.5 million, so the amount under [budget] is \$41 million, so the total for the two years, 2024 and 2025, would be approximately \$80 million under budget.

**The Chairman:** Honourable Member for Cayman Brac East.

**Hon. Juliana Y. O'Connor-Connolly:** Thank you, Mr. Chair. If I have the figures right, based on my own calculation from what I heard from Mr. Claxton, there was about \$58 million, and we have a revised Appropriation of \$55 [million] so can we anticipate that we'll have another request of almost \$3 million before the end of the year?

**The Chairman:** Honourable Minister.

**Hon. Juliana Y. O'Connor-Connolly:** I'm trying to ascertain whether this will be enough because if it's a matter of \$3 million, why have another Finance Committee to deal with it? Unless there is some *novus*

*actus interveniens* to show that we would have a \$3 million saving. That's what I'm trying to find out.

**The Chairman:** My understanding is this is the projected estimate to get us through year-end. Year-on-year calculation.

I understand where you're coming from; so Minister, the question is, last year was \$58 million, this year we're projecting \$56 million — I'm rounding up both numbers. Are you comfortable with the \$56 million?

**Hon. Katherine A. Ebanks-Wilks:** Mr. Chair, I'll defer to the CFO.

**The Chairman:** CFO.

**Mr. Troy Claxton, Chief Financial Officer, Ministry of Health, Environment and Sustainability:** Through you, Mr. Chair. Thank you, Member, for the question.

In response to that, this projection of \$55.5 million is what we are projecting to the end of the year based on all the spend to date as well as the trend, so we are expecting it to end at \$55.5 million. Of course, it's a projection so we're hoping it comes at \$55.5 million or even under. We are still three months out, so once those numbers come in we would have a better idea, but at the moment, this is the projection.

**Hon. Juliana Y. O'Connor-Connolly:** Through you, Mr. Chair, a follow-up. Is the CFO in a position to say what the monthly spend rate is?

**Mr. Troy Claxton, Chief Financial Officer, Ministry of Health, Environment and Sustainability:** Through you, Mr. Chair. Yes, I can provide you with that number now. The monthly spend rate is between \$4.5 and \$5 million per month.

**Hon. Juliana Y. O'Connor-Connolly:** I take it that this forecast was at the conservative end of \$3.5 *[sic]* [million] as opposed to the \$5 million. Just making sure you have the money.

**The Chairman:** Yeah, if we were at \$4.5 [million] it would get us to \$56 [million] for the year. Just to say to Members, in looking back over the last number of fiscal years we have seen that whilst this item has grown, for example, 2023 was actually \$55 [million] and 2022 was \$51 [million], the average seems to be right around where we are, around \$55 million.

**Hon. Juliana Y. O'Connor-Connolly:** Thank you, Mr. Chair, I won't pursue it further even though I could.

**The Chairman:** Deputy Leader of the Opposition.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chair. I'm just curious

about that run rate now because we're in September and I'm assuming the bank account is not zero as we speak.

I don't know if this is for the last quarter, which would be three months, and if you had a run rate, even at the top end of \$5 million, it'd be \$15 million, but the request here today is \$20.5 million. Obviously, if September is not included, if you maintain that run rate, you'd have an extra \$6 million more but if you haven't included September, I'm assuming that your account for September must be zero and you're including September into the \$20 million figure and that would be what you would assume to cover the four months. Is that the case?

**Mr. Troy Claxton, Chief Financial Officer, Ministry of Health, Environment and Sustainability:** Through you, Mr. Chair. Thank you for the question again.

Yes, that is correct. This amount covers from September to the end of the year. The current approved budget to date, which would have included the \$20 million approved back in June, was exhausted in August, sometime near the end of August; there are a few days there. This current supplementary request would cover that period, four months and a few days.

**The Chairman:** Any further questions? *[Pause]* If there are no further questions...

All those in favour of supplementary expenditure with respect to NGS 55 - Tertiary Medical Care at various Local and Overseas Institutions for an amount of \$20,537,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: NGS 55 passed.**

**Hon. Katherine A. Ebanks-Wilks:** Mr. Chair, if I could seek your permission to thank my team for being here tonight and to release them. Also, to particularly thank Chief Officer Tamara who worked hard, even on her birthday yesterday, in preparation for today.

I just want to thank the team and again, apologise because our Chair was not here. I'm not sure what happened, but again, I take responsibility for not communicating that properly.

## **CIN 2 – Health Insurance for Civil Service Pensioners**

**The Chairman:** Members, we move on to output supplier Cayman Islands National Insurance Company (CINICO). The Appropriation reference is CIN 2 - Health Insurance for Civil Service Pensioners for an amount of \$6,800,000. Are there any questions? *[Pause]*

I welcome to the Chamber, Mrs. Gloria McField-Nixon, the Acting Deputy Governor, to answer any questions the Committee Members may have.

Member for Bodden Town West.

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

Mr. Chairman, it's more of an observation and something I'm a bit worried about. Earlier I stated that when we did one analysis that CINICO's performance compared against the industry average was like \$10 million profit when the industry did \$19 million. If you look at CINICO's annual reports of 2023 and 2024 which are available on their website, you will directly see that for 2022 CINICO had profits of CI\$11 million; for 2023, CI\$8.4 million; and for 2024 they had, I think, a little over \$3 million or something in profit. When you look at CINICO's annual report, if you look at all the different plans CINICO operates, it is actually the one for the civil servants that makes the most money and allows them to remain regulatory-compliant.

My point in this observation, Mr. Chairman, and again, it goes to the broader picture, is that \$11 million, \$8.4 million and \$3-and-something million... Now, there could be other factors that are moving those net profits for CINICO but at a minimum it is something we should be aware of. Again, I'm just putting it out there to ensure that as we are putting together the budget, the SPS, et cetera, we actually take this into consideration, because the last thing we want is for CINICO to end up in the red.

As I've said many times, it's going to require civil servants paying more to subsidise the retirees in the private sector because there's no post-retirement plan and everyone is being dumped on government; then CINICO is basically left to turn off the lights. With that observation, I welcome Hon. Gloria McField-Nixon. I'm already supportive of this so I have no questions about it.

Thank you, Mr. Chairman.

**The Chairman:** Thank you.

Wrapped up in that observation is that I will be completely objective in the study I referred to because in any analysis, if we are going to be true to ourselves in this country, we have to pay credence to the fact that when you have a plan that guarantees you this level of coverage, that's a big book of business to have at your doorstep.

Honourable Deputy Leader of the Opposition.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Mr. Chair. I saw that the reason for the Appropriation change was to cover 2024 and 2025, so I'm ready to assume that the \$6.8 million was split across both years.

**The Chairman:** Acting Deputy Governor.

**Hon. Gloria M. McField-Nixon, Acting Deputy Governor:** Through you, Mr. Chairman, and thanking the honourable Member for his question, that is correct. The request for \$6.8 million is covering our overage for 2024 and 2025 split out. We exceeded our Appropriation in 2024 by \$3.2 million and a further \$3.6 [million] is forecasted in 2025.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you. Can the Member say whether those projections for those increases in CINICO costs came post the budget? Obviously, we can't control the company, but was the increase due to their fees or was it the increase of members that caused the amount to go up.

**Hon. Gloria M. McField-Nixon, Acting Deputy Governor:** Through you, Mr. Chairman, again, thank the Member. The fees were known to us going into the budget process. What is more difficult to forecast is the number of persons who will go into the insured group. Because we have an age-banded way for premiums to be assessed, you have to perfectly predict both the number and the ages of the beneficiaries, which means both the retirees and their dependent family members.

What we saw was that in 2024 we exceeded our forecast by 136 persons, and for 2025 year to date we are 202 over the forecast. The forecast itself was very modest; both years had a forecast of a 25 person increase, and as we can see, the actual numbers are higher than that.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you. Last question, Mr. Chair.

Is it fair to say that these are all projections and projections have to be given a margin of error; would you find this to be a reasonable margin of error for unexpected...

**Hon. Gloria M. McField-Nixon, Acting Deputy Governor:** Thank you for the question.

As I looked at the performance of this particular line item over the two years, 104 weeks, we were roughly off by six to seven weeks so I consider this to be a fairly strong estimate that went into it. There are so many variables including being able to understand the ages when persons may go into retirement, because while you may be able to predict when persons will hit the mandatory retirement age, people do have the ability to take early retirement so you're not able to perfectly predict when that might happen. All things considered, we're asking for less than eight weeks funding out of 104 weeks at this stage, so I think it's a fairly strong estimate, but we will continue to take these reflections as we go into the next two years.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Acting Deputy Governor (DG).

I just want to make a comment rather than a question for the last one. You know, there's a continuous problem when civil servants are approaching retirement. There's this delicate balance of specifying the exact date they're going to retire so that their money is ready to get paid out, so they don't miss a payday [and] at least always have something coming in. I'm hoping that we continue to try to fill that gap because I still have many people who are former civil servants whose application process (for them to get their first payment) is delayed. For example, if someone retires on December 31<sup>st</sup>, it is two or three months down the line before they get their first pension payment because the pension office is dealing with their pension amounts.

Sorry, my apologies. I know this has to do with health insurance premiums, but since you are here, I thought you would answer the question all the same. I think you know what I'm talking about. Hopefully we can tighten that gap because I'm still seeing civil servants who worked for decades finding themselves in gap months, and it's quite sad when you know they've done so much. It's not that they are not going to get paid; it's just that there is that gap period where they have nothing coming in and, particularly in Cayman, it could make the difference for whether the bank can start foreclosure on you in three months. Some people are depending on that pension payment to pay their mortgage premiums. Hopefully we can tighten that up.

I'm sorry, I just realised this is for the health insurance not the pension itself because we were talking about pensioners. Thank you.

**The Chairman:** Acting Deputy Governor.

**Hon. Gloria M. McField-Nixon, Acting Deputy Governor:** Thank you, Mr. Chairman.

While we are moving over to the Public Service Pensions Board (PSPB), our other statutory authority we have a relationship with, I can tell the honourable Member that this is a matter of significant importance to the PSPB itself and to the PoCS and chief officers, generally. The PSPB has shared that they are contending with a number of challenges.

One big element of this is their own staffing levels. It is something that I can say they are currently making headway with and being able to fill key roles that would be looking at a number of strategic issues including the performance of their customer service team.

The second issue has to do with the way we are managing data. We are working on a project to allow our systems to talk system to system, to cut down on some of the manual things that are happening, including the way that we have to follow up on any queried payments that may have happened any time during an employee's tenure, and the contributions that should have gone to them. The PSPB is meticulous in making sure that every cent is accounted for in their

pensions, and sometimes there can be questions regarding suspected missed payments that may have happened in the past and the way that is taking place now is quite manual.

Also, as persons are ending their employment, there is typically a grace period when the pension funds are paid over and if someone retires on the 30<sup>th</sup> of the month, but the payment to the PSPB isn't happening until the 15<sup>th</sup> of the following month, their account isn't fully up to date. These are some of the things that can account for delays, all of which we understand are unacceptable.

There are ways we can remedy these things so that it isn't the member who's experiencing all the consequences of these issues, so we are working very closely with them to remove the historical issues that have been impacting them; and to create surge capacity where we can, to assist the customer service team in being able to address these matters in a timelier way, but I thank the Member for his question. That is a known concern and a top priority in terms of our priorities to tackle.

**The Chairman:** Are there any further questions on CIN 2? No further questions on CIN 2.

All those in favour of supplementary expenditure with respect to CIN 2 - Health Insurance for Civil Service Pensioners for an amount of \$6,800,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: CIN 2 passed.**

**Hon. Gloria M. McField-Nixon, Acting Deputy Governor:** Mr. Chairman, if I may just have an opportunity to thank my team. While they aren't able to be here in person, they worked around the clock to ensure the information was available for Members today. That includes our Acting Chief Officer as well as the Chief Financial Officer and Deputy Chief Financial Officer who worked quite hard to produce this information. They have commitments this evening at their children's schools but have worked very hard, and I wanted to acknowledge that.

Thank you, sir.

#### **OCP 4 – Coast Guard Services**

**The Chairman:** Thank you.

Next, Office of the Commissioner of Police, OCP 4 - Coast Guard Services for an amount of \$711,000 of supplementary expenditure. Are there any questions on this item?

Member for Bodden Town West.

**Mr. Christopher S. Saunders:** Mr. Chairman, through you. What is the Domain Awareness System?

**The Chairman:** Honourable Premier.

**The Premier, Hon. André M. Ebanks:** Through you, Mr. Chair, and I thank the Member for the question. It's a radar system to monitor our borders.

**Mr. Christopher S. Saunders:** Thank you very much.

Mr. Chairman, through you to the Honourable Premier. I know in a previous life we looked at maybe getting drones with infrared technology that can basically patrol our waters 24/7 to look for smugglers coming in and so forth. Have we made any progress in that, or is it something we are still looking at, or have we just abandoned the idea?

**The Premier, Hon. André M. Ebanks:** Through you, Mr. Chair. I thank the Member for the question.

Work is ongoing in that regard; in 2024 there was supplementary funding for hiring toward setting up the Domain Awareness Programme. This sum of \$711,000 now carries that money over to continue to pay for that staff as the system is getting set up. I think it is very good for the public to understand the national security thought process behind this, so I've asked the Coast Guard staff to attend to be able to answer questions on the technical aspects of it directly.

**Mr. Christopher S. Saunders:** Thank you very much.

**The Chairman:** Honourable Premier, whom do you want to invite to answer?

*[Inaudible interjection]*

**The Chairman:** Thank you. The Honourable Premier is inviting the Deputy Commandant — is that the title? The Deputy Commandant of the Cayman Islands Coast Guard, Mr. Leo Anglin, will respond on behalf of the Honourable Premier.

**Mr. Leo Anglin, Deputy Commandant, Cayman Islands Coast Guard:** Mr. Chair, through you.

As it relates to the question posed, the Domain Awareness Project is a radar application that will be situated throughout the island. It is intended to be able to have a true understanding of what our maritime picture looks like. Whilst drones are part of a future project, the main project we're focusing on now is the radar application and the ability to monitor our maritime activity.

**Mr. Christopher S. Saunders:** A drone is still there in the future.

**Mr. Leo Anglin, Deputy Commandant, Cayman Islands Coast Guard:** That's the overall plan.

**Mr. Christopher S. Saunders:** Thank you very much, Mr. Chairman. That ends my questions.

**The Chairman:** Member for Cayman Brac East.

**Hon. Juliana Y. O'Connor-Connolly:** Thank you, Mr. Chair. I'm not sure whether it was a Freudian slip, but he did respond by saying "**throughout the island**". Is there an 's' somewhere currently or in the future?

*[Laughter]*

**The Chairman:** Deputy Commandant.

**Mr. Leo Anglin, Deputy Commandant, Cayman Islands Coast Guard:** Mr. Chair, through you. Yes ma'am. There will be an intention for the Cayman Brac attachment.

**Hon. Juliana Y. O'Connor-Connolly:** Thank you.

**The Chairman:** Member for Red Bay.

**Mr. A. Roy Tatum:** Thank you, Mr. Chairman.

Just clarifying. You used the word "intention". Is that immediate intention or will it be introduced in the Sister Islands at some future date, or is it one project for all three Islands?

**Mr. Leo Anglin, Deputy Commandant, Cayman Islands Coast Guard:** Mr. Chair, through you. The initial project is directly for Grand Cayman at this time, but for the Sister Islands in the near future.

**Hon. Juliana Y. O'Connor-Connolly:** Mr. Chairman, he was doing pretty well. Does that mean before the completion of this four-year term?

**Mr. Leo Anglin, Deputy Commandant, Cayman Islands Coast Guard:** Mr. Chair, through you. That's the intention.

**Hon. Juliana Y. O'Connor-Connolly:** In my former days I would say the road to hell is paved with intentions, but I'm older now so I will refrain.

**Hon. Nikolas T. A. DaCosta, Minister for District Administration & Home Affairs, Elected Member for Cayman Brac West & Little Cayman:** Mr. Chair, if I may.

**The Chairman:** Honourable Minister.

**Hon. Nikolas T. A. DaCosta:** To assure my colleague from the Sister Islands, the Member for Cayman Brac East, I will ensure that it's done within this term because there is a significant gap in the Sister Islands. We need to ensure that it is closed, and I know I have the support

of my colleagues in the Government, so we will ensure that it happens.

**The Chairman:** Honourable Leader of the Opposition.

**Hon. Joseph X. Hew, Leader of the Opposition:**

Thank you, Mr. Chairman. Through you, I know [we're] moving on from the radar and the coast guard but whilst we have the Commissioner of Police here, we on the Opposition side have certainly been receiving many calls and concerns about the suspension of the neighbourhood beat officers. I wonder if this would be a good time for the Commissioner to provide us all with an update on the policing levels and the Neighbourhood Beat Officer Programme.

**The Chairman:** Honourable Premier.

**The Premier, Hon. André M. Ebanks:** Through you, Mr. Chair. Before we jump to that, I just want to reinforce what Minister DaCosta said. We have been in direct consultation to make sure that the Sister Islands are covered. He and I are going to be working closely together on the domain awareness because Home Affairs is a key part of that exercise.

Switching back now to the police commissioner, generally, I asked the Police Commissioner to come because Mr. Bryan had questions earlier and I thought it was appropriate that the Police Commissioner came to give an update.

**The Chairman:** I invite the Commissioner of Police, Mr. Kurt Walton to respond on behalf of the Premier.

Welcome to the Committee.

**Mr. Kurt Walton, Commissioner of Police, Royal Cayman Islands Police Service:** Through you, Mr. Chair. The MP is correct in the sense that we've had to make a temporary reallocation of resources given the low levels on our shifts in particular. At the moment, we are 26 constables short across all shifts in Grand Cayman and that has put us, really, not in a good place. To try to relieve us of that problem, we looked at where we could find existing resources to help fill some of those gaps across the shifts. As a result — we have not disbanded community policing; I want to make that absolutely clear.

What we have done is shifted a number of community officers primarily. Six PCs (police constables) in George Town and one in West Bay have been reallocated to shifts temporarily until we start to rebuild the programme, but we do have community safety officers in George Town, a community safety officer in West Bay, and we have not moved any community beat officers out of Bodden Town, so Bodden Town remained intact.

Through you, Mr. Chair, my goal with the proposed 2026 budget allocation is to rebuild my community policing or get our community policing

department up to the strength it needs to be, which, if it would be helpful, I can say to be a total of 27 which would be:

- 19 PCs — one in each constituency;
- Two — one in each of the two high schools, which still exist. We still have one at Clifton Hunter High School and a school resource officer at John Gray High School; and
- Increased community safety officers from the current five to a total of eight.

In all, there is a blueprint; I have a plan. From all indications from the government, it's well supported, so I have every faith that we will be able to rebrand and refresh our community policing starting in 2026.

**The Chairman:** Deputy Leader of the Opposition.

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

Commissioner, I'm a bit confused. Is something stopping you from getting those officers you need? You're saying you have shortages in shifts. I'm a bit confused about that. Can you opine?

**Mr. Kurt Walton, Commissioner of Police, Royal Cayman Islands Police Service:** Through you, Mr.

Chair. The overall picture at the moment is that we are at the same level of police officers as we were in 2008. We've had significant attrition in the service. When I compare that, the current level of police officers only from commissioner down to my community safety officers, we are at 373, one resigned yesterday, so potentially that is 372, and my numbers in 2008 were 370 police officers from Commissioner of Police down; and that was at a time when we had 17 departments less than we have today.

The shift, which is our front line, which for me is the... We have to have our shifts to respond to all calls for service. When someone calls at two o'clock in the morning, the minimum that we can do is provide a response. Right now, for me, that is my immediate priority, and what we have found is we haven't actually made the public any less safe. In fact, you would have probably seen some of our releases over the weekend where we've had some really dangerous individuals taken off the street by quick police response, because for me that is a priority when the public calls, we respond. The overall picture on the shifts specifically is that they have just deteriorated because for one reason or another, a variety of reasons, officers either decide to move on to new careers or for other reasons, to go to other places. At the moment, it has left the shifts 26 officers short across Grand Cayman; so I need to fill those gaps and I'm working towards that.

Through you, Mr. Chair, with the injection of section 11(5) [appropriation] in September, we've started that process, so I'm hoping by the end of this year, I can put back at least 13 officers in the shifts. Then I can remove those community officers and put

them back into community policing. If all goes by my plan, I should, by November 1<sup>st</sup>, have those officers back on shifts, and then I can start to gradually remove those community officers from the shifts.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Commissioner.

Through you, Mr. Chair, so it's not a financing problem then. It's not a money problem that you have to find people to fill those spots?

**Mr. Kurt Walton, Commissioner of Police, Royal Cayman Islands Police Service:** Through you, Mr. Chair.

What I will say, MP Bryan, is that the injection of the \$1.2 million, of which \$408,000 went towards the FLOW lease and the other \$812,000 went towards personnel, has really been an impetus for the hires so right now, as it currently stands, no. Of course, as we all know, hiring people is a process, a human resources (HR) process and it takes a while. What I would say is that we have progressed really well. It was ambitious, but I am optimistic that by November 1<sup>st</sup> we will start to see more officers arriving on our beats.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Okay, so I'll take it that it was not a money issue; you had the money available. The reason I say that is because the last administration, through Cabinet, approved a substantial amount of money for the Royal Cayman Islands Police Service (RCIPS). As a matter of fact, I remember going, "*yeah, we supported the Royal Cayman Islands Police Service to get anything they need,*" and that was a while ago, so I am confused today as to why there is any shortage of staff. I understand attrition, and that people leave and move on, but then I get comments like this.

I have an email here from someone who applied to the Royal Cayman Islands Police Service. It says: "*Good day. This email serves as an update on the status of your application for the post of Recruit Constable. Please be advised that a temporary hiring freeze across the Cayman Islands Government, which was originally set to end on July 31<sup>st</sup>, 2025, has now been extended until December 31<sup>st</sup>, 2025. Once the freeze has been lifted, we'll be able to provide you with further information regarding a final decision. Please rest assured that all applicants both successful and unsuccessful will be contacted at the earliest opportunity. We sincerely appreciate your patience and your understanding. Should you wish to contact us directly, please reach out to rcipsrecruitment@rcips.ky*". [UNVERIFIED]

We heard earlier today that it was a soft freeze, not a hard freeze, and priority jobs would be given priority — and I think policing is probably one of the top priorities, so I'm a bit confused when I see that. People are being told that there's a freeze and the freeze is financial [yet] you're saying it's not financial. I'm a bit

lost and I'm not trying to do this in an accusatory way, but we worked very hard in the last administration to provide money. You are saying it's not a money problem. There are people who have applied saying there's a freeze on it.

The government says it's a soft freeze and priority jobs will be afforded, and I have my constituents saying they lost their community officer. How did you decide on which constituencies to pull from? I mean, I'm happy to hear that Bodden Town has their community officers, but the people of Tropical Gardens, Crewe Road, Shedden Road, Eastern Avenue, [are] not happy that they don't have a community officer, so I'm a bit confused.

**Mr. Kurt Walton, Commissioner of Police, Royal Cayman Islands Police Service:** Through you, Mr. Chair.

I suppose I'll start with the last comment as far as the community officers and why George Town? That decision was made based on demands. Our heaviest demand is in George Town; 60 per cent of our demand is in George Town as far as calls for service. Our shifts in terms of the shortages were the heaviest in George Town, so that was the rationale behind that thinking in terms of George Town. Those six officers are police constables in George Town and then one sergeant in West Bay would have been redirected to George Town on shifts, so they're still in the community. We're all community police officers. I'm a community police officer despite my rank as Commissioner of Police and we've told that to the officers; *you're out there, you're still involved in the community*. What we have done is we've left the sergeants, so the sergeants haven't been removed, as well as the community safety officers; and the inspector is still there. The concept there being that any issues are still reported to the sergeant and we can still address those issues, so any issues that the constituencies have, we have a sergeant assigned — three sergeants in our Grand Cayman cross-community policing who are assigned to each district so that's still available.

I suppose the other part you started with, MP Bryan, was the allocation of funding during the previous administration. If memory serves me correctly, it was \$5.771, which was for security enhancement. What I will say is that there's appreciation for the way the country was in, so what we have got is the \$1.2 million as a result of that.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you Commissioner for being straightforward about it. Are you saying that money didn't get to you after the Government approved it in Cabinet?

**Mr. Kurt Walton, Commissioner of Police, Royal Cayman Islands Police Service:** The \$5.771 was a Section 12 which was never Tabled here in Parliament.



**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Commissioner.

Would that money have prevented the situation we're in now in order for you to get your hiring done?

**Mr. Kurt Walton, Commissioner of Police, Royal Cayman Islands Police Service:** Through you, Mr. Chair.

MP [Bryan], you've put me in a position here. What I will say is that I have taken a position whereby even with the shortages, we were not putting the public at risk. We were still taking dangerous offenders off the street. In fact, we've taken many dangerous offenders off the street. Whereas it certainly would have given me the ability to increase my numbers, I still hadn't put the public at significant risk. I think that's probably the best way I can put it.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you, Commissioner, and you're right, I did put you in a bit of a bind. I didn't mean to do that because I know you are a true professional and you will try to work with the government as much as you possibly can and balance the priorities of finances and security and work with what you have. I don't think it is fair to you, though. I think you should have gotten the money because it was approved in Cabinet and the Government already came to Finance Committee since the election.

You should have had it Tabled so you could get your money, because the people of George Town Central and all the other constituencies that have a community officer should not have been deprived of them. It's a matter of prioritising and I dare say, aside from feeding them, the security of the people of this country is probably the number one thing but that's only my viewpoint. I'll deal with it from a budget perspective, but it's clear that the money the last administration approved was there for you to Table when the [new] government came in; and I'm sorry to make it sound political. We found money for other things but refused to come here in June when we could have [done so]. We prioritised monies for other things rather than the police force.

I'm sorry, Mr. Walton, that you and your staff didn't get that money so you could do what you had to do. I'll leave it there.

Thank you, Mr. Walton.

**The Chairman:** Honourable Leader of the Opposition.

**Hon. Joseph X. Hew, Leader of the Opposition:** Thank you, Mr. Chairman.

Mr. Chairman, through you. If I'm the last one, I'll try to end on a positive note and say to the Commissioner that I've made a note of what the preferred complement is and will keep a note of it. The Opposition is certainly here to support the budget when it comes around in November.

I also want to congratulate you and your staff. As you said, you have continued to take dangerous criminals off the street; but even at a community level... I recently had a community meeting and even with their regular work, the sergeant and both of my beat officers found the time to attend the meeting to provide comfort to the constituents that they are still around, still available. They were allowed to keep their cell phones so they could keep track of the chat groups, which is important, and we appreciate it.

Also, to say that, you know, when we had them we used to get complaints about the beat officers and now that they have been moved for a little while we're getting complaints and people realise how much they miss them, so it may work out to be a good thing. I must say that certainly in my constituency, they have continued to be involved and I appreciate it.

**The Chairman:** Member for Red Bay.

**Mr. A. Roy Tatum:** Thank you, Mr. Chairman. Commissioner, you mentioned earlier that there were five to eight community safety officers.

*[Inaudible interjection]*

**Mr. A. Roy Tatum:** I haven't met mine either, (someone mentioned they haven't met theirs).

What criteria do you use to determine the number of them that are actually needed? If you could answer that for me, I'd be grateful. I ask because it seems like a small number to me.

**Mr. Kurt Walton, Commissioner of Police, Royal Cayman Islands Police Service:** Through you, Mr. Chair.

MP Tatum, the community safety officers are individuals who actually have no police powers at the moment. They're in the communities understanding some of the issues which I suppose create the most anxiety for members therein, and bring them back to the existing sergeant and police constables in that community.

As far as the distribution or the allocation, it is generally based on the size of the district. For instance, in the district of Bodden Town, which as we know is large, we would have two; George Town would have two; and at the moment, we've got one in West Bay and one in the Brac. My thought process was the larger the district, the more [safety officers] they should have. Ideally what I want is, one in East End, one in North Side, two more in the Bodden Town District to cover Savannah, that whole area there; similarly in George Town; and West Bay remains as is.

That doesn't change what I want for my PCs because in each constituency, the plan is for one fully-trained police constable per constituency, so that's 19 police constables. The eight community safety officers are separate and apart from the police constable.



**Mr. A. Roy Tatum:** Thank you for that.

I don't want to drag this on anymore, but two for George Town—I don't think there are any within the Red Bay area; I may be wrong. Two for George Town... For instance, where in George Town are these community safety officers located?

**Mr. Kurt Walton, Commissioner of Police, Royal Cayman Islands Police Service:** At this very moment, we have one assigned specifically for Windsor Park and the Washington Boulevard, that area, but really, it's one person at the moment. It's a challenge. We also have the sergeant. We've got two in Bodden Town who would pretty much cover the entire Eastern districts; and then one in Cayman Brac. That's where we are. I want to double that to eight.

**Mr. A. Roy Tatum:** Thank you for that.

Commissioner, you mentioned that by November we should be seeing additional police officers. I'm going to guess that this is not just local folks being trained, but that you're actually bringing officers from somewhere else. If so, where are we recruiting officers from, please?

**Mr. Kurt Walton, Commissioner of Police, Royal Cayman Islands Police Service:** Through you, Mr. Chair.

We have a situation on our shifts. At the moment, 40 per cent of our shifts across Grand Cayman have less than five years' experience and while it's great for the long term, the future, it has obviously manifested itself in our level of investigative skills, I suppose. The plan would be to have 13 people come in to give us a bit of relief in that. It's widespread across; we've got people from the region — Bahamas, Barbados, Saint Lucia, Jamaica, and the UK. That's where we are, sort of across those five jurisdictions at the moment.

**Mr. A. Roy Tatum:** Thank you for that. Mr. Chairman, if I could just ask, are you able to say right now how many officers you anticipate to be here by November, by the end of the year?

**Mr. Kurt Walton, Commissioner of Police, Royal Cayman Islands Police Service:** If all goes as planned, I should have a total of 32 staff before December 31<sup>st</sup>. Out of that [32] I'm expecting to have 13 uniformed, two for my financial crimes' unit, and two in my digital forensic hub, so by November I'm expecting roughly 21 staff.

Through you, Mr. Chair, just to make it abundantly clear: I have a particular standard. I don't [just] think of bringing people in from different jurisdictions. The plan I have really is one month in our training and development unit where they will basically be going through all the relevant laws in the Cayman Islands, all the processes, policies, our standards, and

policing style, which is caring, collaborative, and accountable; they will go through all of that. They need to get office-safety training; they will have to go through records management training — all of these various types of training because they're police officers, but they need the local input, that induction-type training, if I could put it that way.

Through you, Mr. Chair, I think it's important that I say this: I listened intently to MP Bryan's earlier statement. Obviously, the response was from our Human Resources, which I think was a standard response, but what I would say is that it has been a long process, and I can't get my head [around] why it takes so long to go through the recruitment process. It's just a very long, laborious process; it has to go through vetting applications, interviews, and the like.

However, we now know we have at least 24 successful individuals, young Caymanians, mind you, who, if they are still on board, I will have in situ, with the proposed 2026 budget allocation, in our seats at our Training and Development Union by mid-January. That is where we're headed.

**Mr. A. Roy Tatum:** Mr. Chairman, I will close by thanking the Commissioner for the responses tonight, but also thanking him and thanking the RCIPS. In the short time I've been in this role, he has been extremely responsive to me and has never failed to respond, so thank you very much. I sincerely appreciate the hard work that you and your colleagues in the RCIPS and the Coast Guard actually do.

I'll end there, and thanks again.

**Mr. Kenneth V. Bryan:** Mr. Chairman, I think that last contribution was one more statement in support of the Commissioner.

I wasn't intending to go any further with that email, but since the Commissioner referred to it... My concern about the email is that our people watch these proceedings. They are getting HR communication saying there's a freeze and the reason the person sent me that is because they were listening today and heard that there wasn't a severe freeze; it was a soft freeze and things which are priority would be given priority and one would think that policing would be given priority.

Then it says that the freeze continues, based on the government's announcement, until the end of this year [yet] the government is saying differently. It creates anxiety and concern in people, particularly this young Caymanian who's probably trying to get into the service — and we are already having difficulty with that — now being told the reason they won't be getting a response is because there's a freeze, when we heard today that it wasn't a freeze—freeze whereby it would be allowed to go ahead and hire for roles which are priority; and policing should be one of those.

As a matter of fact, in the Supplementaries today, there were probably four Ministries that spoke about "new hires" and monies for "new hires" in this

budget year, so there is not a freeze per se, money is in cost for new hires. I only say that to say that obviously, you have to manage the department the best way you see fit and I think you're doing a good job of that; but from a hiring perspective, when people get this [response] from your HR, and then hear this, it is confusing. I'm still confused myself, but I'll leave it there. I just thought I would highlight that to you.

**The Chairman:** Thank you very much.

Just for clarity, I want to make sure I understood something the Commissioner outlined, which is that I think you said 32 officers would be joining the ranks sometime in the last quarter of the year. I think 21 of those would be what I would call regular patrol-type officers, and 11 specialists, or did I get that bit wrong? I want to ensure the committee understands that there are still RCIPS officers coming in, albeit this particular candidate may not have been one of those who landed a job.

**Mr. Kurt Walton, Commissioner of Police:** If it's helpful, Mr. Chair, I can break it down as far as police officers.

Okay; we've got the shifts. I'm looking at 13 by November 1<sup>st</sup>.

I'm looking at traffic. Having two in there puts us at 15.

In addition to what we have, we need a traffic reconstructionist who will look at serious and fatal road traffic collisions. It's a unique set of skills, and due to the demands in that area we are delayed in providing those cases to the ODPP (Office of the Director of Public Prosecutions) and then moving on to the court.

We are looking at four additional staff in our Financial Crimes Investigation Unit. I need to build that unit because we are significantly short at the moment.

I'm also looking at three additional staff coming in to our Digital Forensic hub. Those are your digital forensic investigators.

Those are police officers; the remaining individuals are civilian support staff we require to provide back-office-type support. Communication officers, for instance. We've got two communications officers who I'm expecting to come in around November 1<sup>st</sup> or certainly by December 1<sup>st</sup>. Those are persons who would sit at the front desk, as it's commonly called, and receive walk-ins, take assistance calls, or just answer the phones.

That is sort of the layout, Mr. Chair, I don't know with the numbers if I've got you there — 13, 2, 4, 2, I think was where we were at; 21 police officers and the remaining 11 would be non-police officers, so staff support including HR and the communication officers.

**The Chairman:** I just wanted to make the point that while there has been a soft freeze across government, there still have been some increases across all areas including the RCIPS. Not to the magnitude we want to

get to, but the 2026-2027 budget is when we will see additional funding.

Honourable Premier.

**The Premier, Hon. André M. Ebanks:** I just want to provide clarity for the public.

The Supplementary funding that the Member for George Town Central is referring to for "police security" — I think you said security enhancement, Commissioner, was approved at the end of 2024 I think, because I would have been in the Opposition by then.

[Crosstalk]

**The Premier, Hon. André M. Ebanks:** March 2025? That can't be.

[Crosstalk]

**The Premier, Hon. André M. Ebanks:** It would have been done by Cabinet. Couldn't be.

[Crosstalk]

**The Premier, Hon. André M. Ebanks:** Could we get clarity on that? It was in 2024, I'm advised. I'm going by the finance staff. September 2024? Because the point I'm making is that there would also have been an opportunity for the Minority Government to have called a Finance Committee; so it's not to say that it fell just on this Government's watch. If that chronology is correct — and Cabinet would have approved the Section 12 — the Minority Government could have similarly called Finance Committee to get the staff.

Now, there might have been other budgetary considerations at the time and when this administration took office and finding the position that we were advised the country was in, the Commissioner is quite right in the sense that he said *there's no particular danger I can cover this until you can find appropriate money* and when we found it, we gave it to him, so we didn't leave the country unprotected.

**Mr. Kenneth V. Bryan:** Mr. Chairman, I am forced to opine on the Premier's comments. I think he's suggesting the Minority Government could have had a Finance Committee and even if that were true, it didn't stop this government from giving the support as soon as the election was over; but I would also say that five Cabinet Ministers, a Minority Government, wouldn't have been able to get anything passed in this committee. If the Premier would remember, it was essential to say they were not going to be hearing anything in Parliament, but we're talking about Finance Committee.

I am not sure I agree with the date. It may have been a different date for a different committee; I could be wrong. I wish the former Premier were here because her memory might have been better than mine in

respect to the Cabinet approval, but I don't recall it being that far back in September because I think you, Honourable Premier, didn't leave the Government until October.

**The Premier, Hon. André M. Ebanks:** Correct. That's why I want to get the chronology correct.

**Mr. Kenneth V. Bryan:** Yes. I think we should because I wouldn't want to accuse you wrongly. I wouldn't want to suggest, you know, that the Government could have done that because if it is as Minister DaCosta said, that it was in March, which would be very close to election time, or even after December, any time like that, with the election sensitivity there really wouldn't have been an opportunity to come here but I'm quite sure the Opposition would have supported something as important as that.

**The Premier, Hon. André M. Ebanks:** Definitely. That is my point, and even if it was March, I'm sure with the police statistics, it wouldn't have been a revelation in March that they needed staff. The Minority Government would have known prior to that because, as he says, staffing levels have been low for over a decade. I just want to be clear that we're all balancing priorities and no one is leaving the country unsafe.

**Mr. Kenneth V. Bryan:** Yes.

**The Chairman:** Deputy Leader of the Opposition.

*[Inaudible interjection]*

**The Chairman:** No further questions. All those in favour of supplementary expenditure with respect to OCP 4 - Coast Guard Services, for an amount of \$711,000 being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: OCP 4 passed.**

**The Chairman:** Colleagues, we have just two items to go.

**Hon. Joseph X. Hew, Leader of the Opposition:** Mr. Chair, is the Commissioner still here for the next item? No.

**The Premier, Hon. André M. Ebanks:** No.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** I'd just say thank you to the Commissioner for his hard work.

**The Premier, Hon. André M. Ebanks:** I was going to. Not just the Commissioner but also the Coast Guard; they work hand in hand. I want to thank them for their attendance today and for keeping the country safe.

**Hon. Joseph X. Hew, Leader of the Opposition:** Mr. Chairman, I'll make that smile of yours even bigger. You can take those last two as a block vote.

**The Chairman:** Oh.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Mr. Chairman, we have agreed to a block vote and by all means I have no intention of asking any questions about these two line items, but you used a technicality to stop me from asking questions and said to leave it to the very end, before we officially close off the line item...

**The Chairman:** I would never do that.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Oh, no, you wouldn't do that, no.

Premier, you want to allow the Commissioner and Commandant to go?

*[Crosstalk]*

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Through you, Mr. Chair, I take the opportunity to refer to the concerns or questions we had at the very start which encompass the whole of finance...

*[Inaudible interjection]*

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** As long as I'm given the commitment that I will be able to ask the questions around this...

**The Chairman:** Member for George Town Central, I would never try to deny any Member of this Committee their parliamentary rights and their rights as being a committee [member] unless they spend close to an hour on one topic.

#### **BLOCK VOTE:**

**OE 128 – Personal Emoluments for the Premier, Deputy Premier, Speaker of Parliament, Ministers and Members of Parliament**

**OE 130 – Administrative and Advisory Support to Members of Parliament**

**The Chairman:** I ask for all those in favour of supplementary expenditure with respect to OE 128 - Personal Emoluments for the Premier, Deputy Premier, Speaker of Parliament, Ministers and Members of Parliament for an amount of \$436,838 being approved, to please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: OE 128 passed.**

**The Chairman:** I put the question for a reduction on OE 130 of \$227,000.

All those in favour of a reduction of OE 130 - Administrative and Advisory Support to Members of Parliament by an amount of \$227,695, being approved, please say Aye. Those against, No.

**AYES.**

**The Chairman:** The Ayes have it.

**Agreed: OE 130 passed.**

**The Chairman:** Honourable Deputy Leader of the Opposition.

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

I must say I am very happy that we got the announcement that the government is now projecting a \$10 million surplus. I think the whole country will be happy to hear that. Can you give a breakdown of the cost-cutting measures you used across the government to get to the now projected budget for this financial year?

**The Chairman:** Absolutely.

The latest forecast of 22<sup>nd</sup> September, 2025:

Total Revenues	\$1,184,558,000
Total Expenses	\$1,174,284,000
<b>Projected Surplus</b>	<b>\$10, 274,000</b>

The main items that would have contributed to these are:

<b>Revenues (Amount in CI\$)</b>	
Coercive Revenue	1,112,411,000
Sale of Goods & Services	50,962,000
Investment Revenue	19,219,000
Donations	1,870,000
Other Revenue	96,000
<b>Expenses</b>	
*Personnel costs	507,452,000
Supplies and Consumables	172,568,000
Depreciation and Amortisation	63,198,000
Finance Costs	14,669,000
Litigation Costs	1,723,000
Outputs from SAGCs	211,478,000
Outputs from Non-governmental Suppliers	83,235,000

**\*The Chairman:** Obviously, that would be the single biggest expense item for government.

Those would be what I would call the financial highlights; however, just to add a bit of context, the PREFU was finalised on 25<sup>th</sup> March 2025. By law, before the first quarter is over in an election year, the Public Management and Finance Act requires there to be a pre-election financial report; that was gazetted on 2<sup>nd</sup> April, 2025. At that time, based on returns from Ministries, Portfolios and Offices, the projections that were returned to the Ministry of Finance were total revenues of \$1,121,000,000...

*[Inaudible interjection]*

**The Chairman:** My bad.

The initial returns that were provided to the Ministry of Finance were \$1,115,670,000 on the revenue side; and total expenditures would have been \$1,208,485,000, which would have projected a deficit of (\$92,816,000) *[sic]*. However, further work by the Ministry of Finance and going back and forth between the finance team and the Ministries and Portfolios resulted in \$1,000,121,000 — because we must remember that information is fed to finance; finance doesn't sit at the centre and just create numbers.

**Hon. Juliana Y. O'Connor-Connolly:** Mr. Chairman, sorry for the interruption of your thoughts. When you say Ministries, would you care to elucidate that it included just CFOs and not chief officers and Minister — I certainly can speak for my own seven (CFOs).

**The Chairman:** Oh, the administrative staff.

**Hon. Juliana Y. O'Connor-Connolly:** You keep referring to Ministries and Portfolios, but I was reliably informed and I [had] direct involvement; thus, I can say, as far as it related to my Ministry and speaking to the four Ministers, it did not include the Ministers or their chief officers. It was the CFOs, which is a distinction.

**The Chairman:** It wouldn't have come from the Ministers themselves. Absolutely.

**Hon. Juliana Y. O'Connor-Connolly:** Or the chief officers.

*[Crosstalk]*

**The Chairman:** We can't speak for whether or not any of the Chief Officers had knowledge, but certainly the CFOs at a minimum had knowledge.

**Hon. Juliana Y. O'Connor-Connolly:** I don't mean to belabour the point, but I can speak based on what my own chief officers and my Ministers told me at the time of obtaining their Ministries. I was left with the distinct

confirmation that I could believe what I was told, and I would still like to believe what I was told — that it only involved the CFOs. If that was not the case, then I give ample room subject to your discretion for a different opinion to be appointed at this time.

**The Chairman:** I wasn't there so I could not proffer an opinion.

**Hon. Juliana Y. O'Connor-Connolly:** I'm just saying, because there was much dependence put on the PREFU, and persons would have noticed that I have been relatively quiet about it. I chose to take that position. I've been a civil servant myself and have been on the political side, and I don't mean to break that, but I think, now that you've introduced it, that the record ought to reflect that, certainly this Minister, this Premier, did not have prior or consultative or collaborative involvement because if I had, it would not have been a \$26 million...

Time doesn't permit to go and say, but even as recent as with the Commissioner, who was just here, the amounts that were put in for him, and I don't want to say pressure, but the encouragement from those who are higher than I, who are responsible for good governance to make sure that the police vote of just under \$10 million, if memory serves me right, was put there. We then took it as section 12. That has not come and the Government has the prerogative not to bring it, and I heard the Honourable Premier explain the reasons why it has not been brought in the last two opportunities that we could have brought it. That in itself, if it has not been reallocated, should be reflected in the now \$10 million, which is a \$70 million swing from what was said publicly just a few weeks ago.

**The Chairman:** Sure, and I'll get to explain that particular item and how it winds up different from today.

The PREFU then produced a final \$1,121,264,000 revenue projection and an overall total expenses of \$1,147,458,000, which would have resulted in a projected (\$26,194,000) deficit.

Now, let's make this very, very clear. At all points in time, based on data, projections are driven, and projections are never going to be to a dollar and a penny. They are projections. Having said that, we also have to recognise that—

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

**The Chairman:** Even if we go—

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** I do apologise for interrupting you, but you are right to say that they are just projections and not a statement of fact.

**The Chairman:** Sure.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Is that correct?

**The Chairman:** Absolutely. Until everything for December 31<sup>st</sup>, 2025 is closed off and we get to January 31<sup>st</sup>, 2026, we don't know what the end result is.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Neither is it a statement of truth, either.

**The Chairman:** Neither is...?

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** A statement of fact or a statement of truth. Would that be correct?

**The Chairman:** Would what be correct?

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** The projections in the PREFU?

**The Chairman:** A PREFU is just that — a pre-election financial update.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Projection.

**The Chairman:** And it is a projection, and it was made very clear.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** So if someone suggested that this is the factual situation, they would be lying, wouldn't they?

**The Chairman:** What would be factual? It's a projection. I don't know of anyone—

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** It can't be a fact. It's not true because it is a subjective thing.

**The Chairman:** It is a projection based on the facts in front of professionals... As is the case right now, and as is the case with any budget. When you all brought the 2024-2025 budget, it was a projection for two years just as we would bring a 2026-2027 budget. That too would be a projection for two years.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** All right. That solves that.

If I could help you with your response... I see that you're going through a chronological order from PREFU coming forward, but I would humbly remind you that the question was simply what caused the difference between [today and] August 30<sup>th</sup> when you announced at your press conference that there was a projected \$60 million [deficit]. From then, what cost-reduction measures did the administration take over

that period to have us at a \$10 million surplus today? That is what I was asking, not the chronological order of things — unless your projections are that off, which has been suggested before; not yours particularly, but the projections are not reliable, which you used as a supporting narrative for extending the SPS, that they're not reliable within a certain number of months, but it was the 30<sup>th</sup> of August and today is, I think, 25<sup>th</sup> September. It's a significant shift.

**The Chairman:** If I might just continue and wrap up—

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Yes, sorry. My apologies.

**The Chairman:** —Then have further discussion.

Obviously, coming out of an election and there being a change of administration, something we had to try to grapple with and get our minds around was the state of public finances at which time there was a re-forecast conducted on the 16<sup>th</sup> of May, again going out to Ministries and portfolios to get numbers back.

It was at that time, based on that round of consultation, that an estimated \$60-million deficit could have resulted; 16<sup>th</sup> of May, hence the reason the Government took the decision to take some drastic action some of which I'm hearing complaints about in this committee like a soft [hiring] freeze, because we needed to ensure that such a result did not actually occur. That again is going out to Ministries, portfolios, and offices and getting responses back from the relevant stakeholders and officers.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Just for clarity, Minister.

**The Chairman:** And let me just say that I never said publicly there would be a \$60 million deficit.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** You didn't?

**The Chairman:** I spoke to the PREFU. I clarified the point because you brought it up. It was stated on Radio Cayman. I clarified what the genesis of it was. I never actually came out and said that publicly because *[inaudible]*

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** But you confirmed that it was the Government's viewpoint at the time, which was August 30<sup>th</sup>.

**The Chairman:** No. You asked how that could have been said publicly, and I said the source it had come from. I was not confirming that to be the Government's viewpoint.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** So that \$60 million deficit was not a real \$60 million deficit, is what you're saying.

**The Chairman:** No. No deficit is real until it occurs.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Yeah, well, it was not a real projection.

**The Chairman:** It was a projection.

We acted — [based] on the information provided, it looked like the situation was going to worsen if Ministries and portfolios conducted activities at the level that they felt they had approvals for. A large piece of that would have been hiring at the levels that they had approvals for, and then incorporating things like sections 12, et cetera that had prior approval; hence, the reason why on June 16<sup>th</sup>, we took the view that we were not going to bring certain Section 12, et cetera.

At that point we took the view that we actually had to try to tighten things up; thus, we spoke with the Deputy Governor about a soft freeze — to prioritise hiring. Hence, the reason the Police Commissioner could come here today and speak to the fact that whilst he did not get authority for the entire \$10 million, he got authority for some; because those 32 [positions] he spoke to today were what he said was his priority and therefore that was part of the soft-freeze.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** So you did hold back money from the Police Commissioner as a part of your freeze.

**The Chairman:** We held back monies across the entire civil service. We asked everyone to *prioritise their spending*.

Prioritise their spending because ultimately, I don't see the streets in Cayman burning. I don't see schools not being open. We had to balance things out and ensure that everyone got what they absolutely needed, and having been there as a Minister you would very well know that many times what people ultimately would desire and love to spend on is not necessarily what's needed for CIG to continue to deliver the critical services the public needs.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Thank you for that, Minister; it does clarify that, but you did say there were a number of approvals done by Cabinet that you decided not to allow. Can you list what those were?

**The Chairman:** You asked about the Section 12. Let us limit it to that because *[inaudible]*

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Which Section 12 did not come that would have caused your finance team and yourself to think

with the announcement of the former Premier that there was going to be a \$60 million deficit? What gave you that projection for a \$60 million deficit that did not happen to allow you to now have a \$10 million surplus?

**Mr. D. Wayne Panton:** Mr. Chair, Member Bryan has made reference to comments I made on Radio Cayman. If you go back and check the transcript, those comments said there were indications, or the modelling at the time was showing a possible \$60 million deficit, which is exactly what Mr. Chairman has already outlined. There was no concrete statement that there would be a \$60 million deficit.

**The Chairman:** So, Mr. Bryan, just to say—

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** So the Government of the day didn't have a former Premier who knows how it works; and you, as Minister, confirm at a press conference where the number came from? Because you see, I don't think it was appropriate for you to cause the country such anxiety.

He is a member of the Government; to say on public national radio that *the models we are running are projecting around a \$60 million deficit...*

**The Chairman:** Why?

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Because people believed it. It made the headlines. Nobody jumped up and said, *oh no, no, no, no, no, no, no, no; that was just a little test run.* Because the difficulty you have now, Mr. Chairman, is explaining to the people how you confirmed on the 30<sup>th</sup> of August — today is the 28<sup>th</sup> of September; how did you get from those numbers, and those models running a \$60 million deficit, to a \$10 million projected surplus now?

**The Chairman:** Mr. Bryan, if you would want me to, and I would be happy to, the \$62 million came from Ministries and portfolios; there was no editing or anything of that data. I gave an example of the Commission of Police having a pre-approval, which we all agreed existed, for a Section 12 for \$10 million. The amount we wound up giving him as a priority was less than the \$10 million. Had we not, *had we not had a soft freeze* you will admit and agree, that if he still had the authority to spend it and it still sat there, those would then get caught up in additional expenses.

The fact that we took the decision to have a soft freeze has taken a significant chunk away from ministries and portfolios' ability to spend. When you take that away, those expenses come off the projections. Those expenses coming off the projections are a significant driver for us now getting to this point. It's like if you have a company and you have a budget and you give your manager the authority to spend \$100

a month for 12 months, he's going to spend \$1200; he can spend up to \$1200. If you get to month six, and you go to the manager and say *things are not going as planned. Now you can only spend \$50 a month;* six times \$50 [means] \$300 comes off what your projected loss or profit would be at the end of the day. That's all that has happened and a part of that is the soft freeze.

**Hon. Kenneth V. Bryan, Deputy Leader of the Opposition:** Mr. Chairman, I'm not disputing that. I'm not disputing what you said, but I've asked you and this is probably going to be the third time, and I am not going to do it again. If you don't want to answer, that's fine.

Can you list the things you put a freeze on, because if you only use the \$10 million figure and you freeze the police and say, *we're not gonna give them the whole amount, we're only going to give them \$1 million,* you saved \$9 million; you still have a \$61 million difference. You need to explain to the House how you went from a \$60 million [deficit] to now projecting to be a \$10 million surplus, because what it looks like and what people are saying is that the government tried to make it seem like it was worse than what it was, to be able to come back at the end of the year now and say, *look, boy, we made a surplus and we did so good.* I'm still waiting for the list of things that you stopped from happening, because let me confirm one last thing — and I'm gonna stop here because I'm not gonna go any further with this and risk you getting upset as the Chair of this committee.

The freeze, the soft freeze that you talk about, the Honourable Deputy Governor said right here in this Chamber, in Finance Committee, that it was intended to have a soft freeze because they were aware that the Government did not budget for the COLA and therefore, regardless of which Government was gonna come in, from an affordability perspective they would have had to hold back on those hires they were going to do, anyway. He said so in this Parliament during Public Accounts Committee, so unless you're saying you had \$60 million worth of savings in salary, and if you're saying that no problem; but I don't understand how... The numbers don't make sense. I'll stop there.

**The Chairman:** Mr. Bryan:

- We had the pause or soft freeze on non-essential recruitment — you made your point in regard to what the Deputy Governor said; how those reconcile is not for me to figure out;
- We also requested to reduce supplies and consumables by a minimum of 10 per cent from the forecast;
- We also asked ministries and portfolios to try to reduce their statutory authorities and SAGC outputs by 4 per cent;
- Reduce expenditure and outputs to non-government suppliers by 5 per cent; and



- reduce transfer payments.

It was looking at all of these in conjunction, to try to ensure that anything that was not essential to be spent and incurred, be taken out of budgets for us to rein things in. Those were all the items we utilised, all the tools we utilised to try and ensure that when we now project, people don't believe they are still going to have the freedom to spend on non-essential matters and items for the rest of financial 2025.

Any further questions?

**Mr. A. Roy Tatum, Jr.:** Mr. Chairman.

**The Chairman:** Mr. Tatum.

**Mr. A. Roy Tatum, Jr.:** When we had PAC, I asked a question based on something that I've thought about for a long time, which is that the country has a challenge with forecasting. At the time, the FS agreed. The DG was here and he agreed [and] I believe you made a similar comment, but I don't want to put words. Would you also agree that we have a problem with forecasting? As I said to the FS, I'm not looking to put blame anywhere at all, but there is a problem that needs fixing because if the numbers don't go in your favour that's bad, but even if they are, you run the risk that one day, they might not. It needs fixing.

I understood that the Governor asked the UK for assistance. Can you confirm if that's actually the case? And if you would also agree that there is an issue that needs fixing in terms of however the system is working and not working now with us being able to properly provide a forecast. Again, not looking to blame anybody. The system is what it is. I think I made myself clear, so I'll stop there with regard to confirmation with the Governor and your thoughts on forecasting and the challenge [therewith].

**The Chairman:** Mr. Tatum, first of all, as I understand it, the Governor has made certain comments around investigating this possibility. I heard such talk when I was in this House previously as well, but she has not come back with anything.

I can give you my personal opinion on some of the things that I believe need strengthening around the finance function in core government. Firstly, let me be very, very clear because many people mistake accountants for financial analysts. A CFA (Chartered Financial Analyst) and a (Certified Public Accountant) CPA, as you would know, are two completely different people with two completely different skill sets and two completely different examinations.

I have always held the view that you do potentially have a risk when you have an accountant having to actually get into modelling. Financial forecasting, when it's very simplistic, if you have an entity with a relatively smooth revenue and expenditure profiling system where you can divide by 12, multiply by the remaining months and that's your output, is

relatively simple. When it is more complex and you have to then have certain inferences, that's a very different type of forecasting.

However, something we need to do a better job at is when we make policy decisions and the Government is ensuring that when we do that, in tandem with it, we update our financial forecasts and we are actually more transparent about it. For example, if the Government today said they were going to do X, and we knew the cost of X was going to be \$25 million and its projected impact on the budget would be a negative \$25, we should be very clear about what your updated forecast would be because of that item. Many times what happens in CIG is that we make a series of policy positions and decisions, and then don't put them all together and say, *here is what the outturn would look like should all of those go according to the actual plan and estimates*.

The issue here is that the plan and estimates approved in December 2023, having then had accountants look and make projections in May of this year, and their projections would be if we spend to the max authority *here is what your output would look like* and the Cabinet then saying, *well, we want you to know not, not spend to that level* hence the reason I read that list of supplies and consumables saying to people project on the basis that you're going to cut 5 per cent; having a soft freeze and having only essential persons being hired, and take those additional approved posts out. All of that accumulates to significant millions of dollars when you apply these percentages to very, very large sums. It's that simple.

When we talk about supplies and consumables, the original budget for supplies and consumables is \$188 million. When we say 5 per cent of \$178 million, it is a significant sum. If you say to officers across all Ministries, portfolios, and offices, *we want you to cut that amount from what you are projected in terms of your activities, so prioritise and save five per cent*. When you add all those savings, they are very significant.

I can understand why there would be angst and confusion around the commentary being made by the Deputy Leader of the Opposition; but as you would know, Mr. Tatum, when we talk about the significant sums that we have in CIG, the types of savings we asked ministries, portfolios, and offices to push toward are, in my opinion, what has got us to this point, and I can only speak to my involvement with the system. I heard the inference; I have never and will never try to manipulate any number to try and make myself look good. This is about governance and the country and this is where we are at and I can only come before this committee, chair the committee and be truthful to the committee.

**Mr. A. Roy Tatum, Jr.:** I thank you for that, sir. I just want to ensure that it's clear. If I didn't say it, I want to make sure it's clear: my focus is not on the PREFU. It's



not. I listened to everything you said and I agree with much, if not all of it. If there are things to be fixed, is what I hear you say, it's important that they are fixed so I will leave it there, and if the Governor is seeking assistance for us, more power to her; but I know the DG sat here I heard him say, which I think everybody here would be agreeable if we were all here at the time, that for instance, the Cabinet paper that he brought with regard to the increase for civil service, there were assurances given that there would be no negative impact, that there were savings made.

I think you understand where I'm going with this, right, so I won't belabour it anymore; it is late, but again, my focus isn't the PREFU. It has bugged me for a long time. Long before I was elected. I used to see these numbers and these projections. We need to get it fixed; otherwise we might be here again with a real deficit and a real, real, problem, so I leave it there, sir.

Thank you for listening to me.

**The Chairman:** Sure, and I think all of us would agree that the system is large and we have a large contingent of CFOs across the entire system. I can only tell you from my experience prior and now, that the Financial Secretary and his team do an excellent job and worked very diligently to serve the Government and to give us as accurate information as they can; however, given how the system is constructed, they too still have to rely on the work of a large cohort of professionals out there, and I agree with you, we do need to strengthen that aspect of things.

I don't think we need any more accountants; I can tell you that. Not how we are structured in the government, but I do believe that we need additional resources and additional skill sets on the financial projection and economic model end, and I think that [need] has existed for a while in government.

**Mr. A. Roy Tatum, Jr.:** Thank you, and for the avoidance of doubt, I want to chime in with you and say that I have the utmost respect for the FS and the people who work with him. I have no issue with him at all, which is what I said in PAC, so I want the public to know as I've said to him before and am saying to you in this House. Again, there is something systemic somewhere that needs looking at and fixing. I will leave it at that, sir. Thank you very much.

**The Chairman:** Thank you. The Member for Cayman Brac East, Ms. O'Connor-Connolly.

**Hon. Juliana Y. O'Connor-Connolly:** Thank you, Mr. Chairman.

I'm absolutely elated that you are exercising discretion for this discussion to ensue because, after having listened to the pontification on Radio Cayman on the 25<sup>th</sup> of July by the Honourable Member for Newlands, and having heard your elucidation today, it

gives me the audacity to be cautiously optimistic that the systematic problem will be fixed.

I thank you for allowing it to be aired in a forum such as this where it can be heard by all and sundry and duly recorded.

**The Chairman:** Thank you, members.

I wish to thank all Honourable Ministers, Parliamentary Secretaries, Chief Officers and all other civil servants and public servants who provided answers to questions raised and to honourable members of the Opposition for their questions. I truly, truly appreciate the participation.

I also want to go on record as thanking the Financial Secretary, the Accountant General, our Senior Assistant Secretary, Ms. Anne Owens, who is here with us and serves the committee diligently, and all the finance team. The work they do is extremely important and — I'm gonna call it the “public row” — that has ensued around this issue has been worrying to me because they are human and I know that many times when we start talking about these projections, many people think that they sit at the centre of government and conduct all of this on their own. I think it's very important for the public to understand how the system actually operates and works. I want to put on record my thanks and my confidence in them and the work they do.

The approval for these items by Finance Committee will now enable them to form part of the Supplementary Appropriation Bill for the 2025 Financial Year. Honourable members will also know that although Finance Committee has approved these items today, these same items will be seen again by the committee later because Government has to include them in the Supplementary Appropriation Bill for 2025, which committee members will see. Such a wrap-up Supplementary Bill is due to be presented to the Parliament no later than three months after the 2025 financial year. Therefore, by the 31<sup>st</sup> of March 2026.

Proceedings in Finance Committee are now concluded and the approvals granted by Finance Committee will enable budgets to be increased so as to allow the additional expenditures to be incurred in the areas of expenditure that the committee has discussed and approved. I thank you, honourable members.

The proceedings in Finance Committee are now concluded.

**At 9:20pm the committee adjourned.**