



CAYMAN ISLANDS LEGISLATIVE ASSEMBLY

OFFICIAL HANSARD REPORT ELECTRONIC VERSION

2016/17 SESSION

27 February 2017

*Fourth Sitting of the Third Meeting
(Pages 1-54)*

**Hon Juliana Y O'Connor-Connolly, JP, MLA
Speaker**

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PRESENT WERE:

SPEAKER

Hon Juliana Y O'Connor- Connolly, JP, MLA
Speaker of the Legislative Assembly

MINISTERS OF THE CABINET

Hon Alden McLaughlin, MBE, JP, MLA	<i>The Premier</i> , Minister of Home Affairs, Health and Culture
Hon Moses I Kirkconnell, JP, MLA	<i>Deputy Premier</i> , Minister of District Administration, Tourism and Transport
Hon D Kurt Tibbetts, OBE, JP, MLA	Minister of Planning, Lands, Agriculture, Housing and Infrastructure
Hon Marco S Archer, MLA	Minister of Finance and Economic Development
Hon Osbourne V Bodden, MLA	Minister of Community Affairs, Youth and Sports
Hon G Wayne Panton, MLA	Financial Services, Commerce and Environment
Hon Tara A Rivers, MLA	Minister of Education, Employment and Gender Affairs

EX OFFICIO MEMBERS OF THE CABINET

Hon Franz I Manderson Cert. Hon., JP	<i>Deputy Governor</i> , ex officio Member responsible for the Portfolio of the Civil Service
Hon Samuel W Bulgin, QC, JP	<i>Attorney General</i> , ex officio Member responsible for the Portfolio of Legal Affairs

ELECTED MEMBERS

GOVERNMENT BACKBENCHERS

Mr Roy M McTaggart, MLA	Second Elected Member for George Town
Mr Joseph X Hew, MLA	Sixth Elected Member for George Town

OPPOSITION MEMBERS

Hon. W. McKeeva Bush, OBE, JP, MLA	<i>Leader of the Opposition</i> , First Elected Member for West Bay
Mr Bernie A Bush, MLA	Third Elected Member for West Bay
Capt. A Eugene Ebanks, JP, MLA	Fourth Elected Member for West Bay

INDEPENDENT MEMBERS

Mr Anthony S Eden, OBE, JP, MLA	<i>Deputy Speaker</i> , First Elected Member for Bodden Town
Mr Alva H Suckoo, MLA	Fourth Elected Member for Bodden Town
Mr Winston C Connolly, Jr, MLA	Fifth Elected Member for George Town
Mr D Ezzard Miller, MLA	Elected Member for North Side
Mr V Arden McLean, JP, MLA	Elected Member for East End

**OFFICIAL HANSARD REPORT
THIRD MEETING OF THE 2016/2017 SESSION
MONDAY
27 FEBRUARY 2017
10:52AM
Fourth Sitting**

The Speaker: Good morning, I will call on the first elected Member for the district of Bodden Town to say Prayers today.

PRAYERS

Hon. Anthony Eden, Deputy Speaker: Let us pray.

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

Bless our Sovereign Lady, Queen Elizabeth II; Philip, Duke of Edinburgh; Charles, Prince of Wales; and all the Royal Family. Give grace to all who exercise authority in our Commonwealth, that peace and happiness, truth and justice, religion and piety may be established among us. Especially we pray for the Governor of our Islands, the Premier, the Speaker of the Legislative Assembly, the Leader of the Opposition, Ministers of the Cabinet, Ex Officio Members and Members of the Legislative Assembly, that we may be enabled faithfully to perform the responsible duties of our high office. All this we ask for Thy great Name's sake.

Let us say The Lord's Prayer together: *Our Father, who art in Heaven, Hallowed be Thy Name. Thy Kingdom come, Thy will be done on earth as it is in Heaven. Give us this day our daily bread, and forgive us our trespasses, as we forgive those who trespass against us. Lead us not into temptation, but deliver us from evil for Thine is the Kingdom, the power and the glory, forever and ever. Amen.*

The Lord bless us and keep us. The Lord make His face shine upon us and be gracious unto us. The Lord lift up the light of His countenance upon us and give us peace, now and always, and as King David said in Psalm 122:6 Pray for peace in Jerusalem.

The Speaker: Please be seated.
Proceedings are resumed.

[Pause]

**ADMINISTRATION OF OATHS
AND AFFIRMATIONS**

The Speaker: None.

**READING BY THE HONOURABLE
SPEAKER OF MESSAGES AND
ANNOUNCEMENTS**

The Speaker: None.

PRESENTATION OF PETITIONS

The Speaker: None.

**PRESENTATION OF PAPERS
AND OF REPORTS**

The Speaker: None.

**QUESTIONS TO HONOURABLE
MINISTERS AND MEMBERS
OF THE CABINET**

**QUESTION NO. 29
UPDATE ON THE WALKING TRACK AROUND
THE OLD MAN BAY PLAYING FIELD**

The Speaker: I recognise the Honourable Member for North Side.

Mr. D. Ezzard Miller, Elected Member for North Side: Thank you, Madam Speaker.

Madam Speaker, I beg to ask the Honourable Minister of Community Affairs, Youth and Sports the following question: Can the Honourable Minister give an update on the walking track around the Old Man Bay playing field?

The Speaker: Honourable Minister responsible for Sports.

Hon. Osbourne V. Bodden, Minister of Community Affairs, Youth and Sports: Madam Speaker, could you just give me a moment please?

The Speaker: Most certainly.

[Pause]

Hon. Osbourne V. Bodden: Thank you, Madam Speaker.

Madam Speaker, the answer: Lands and Survey has completed the site survey for the Old Man Bay playing field walking track and the drawings are 95 per cent complete. It is expected that the tender document will be issued before the end of February (that is this week), and the contract awarded by the end of March. It is projected that the track will be completed four weeks from the start date.

The Speaker: If there are no supplementary we will move on to the next question.

QUESTION NO. 30

HAS THE MINISTRY OR CABINET CONSIDERED A GOOD SAMARITAN FOOD DONATION LAW

The Speaker: I recognise the Honourable fifth elected Member for George Town.

Mr. Winston C. Connolly, Councillor to the Ministry of Education, Employment & Gender Affairs: Thank you, Madam Speaker.

I rise to ask question number 30 standing in my name to the Honourable Member of Community Affairs, Youth and Sports. Can the Honourable Minister state whether the Ministry or Cabinet has considered a Good Samaritan Food Donation Law or even if one has been considered?

The Speaker: I recognise the Honourable Minister for Sports.

Hon. Osbourne V. Bodden: Thank you, Madam Speaker.

Madam Speaker, the answer: The Ministry of Community Affairs, Youth and Sports has not considered implementing legislation akin to The Federal Bill Emerson Good Samaritan Food Donation Act currently enforced in the United States of America. The purpose of the Act is to encourage companies to donate food that would otherwise go to waste to non-profit organisations for people in need, while protecting them from criminal and civil liability should the donated food later cause harm to the recipient.

The Ministry can also confirm that the current Cabinet has not considered similar legislation for the Cayman Islands. The Ministry endeavours to seek policy advice from its social service agencies on the need for such legislation in the Cayman Islands and the potential benefits and risks of potential implementation.

The Speaker: If there is no supplementary, we will move on to the next item of business.

STATEMENTS BY HONOURABLE MEMBERS AND MINISTERS OF THE CABINET

Hon. Jennifer Ahearn, Acting Deputy Governor

The Speaker: I recognise the Honourable [Acting] Deputy Governor.

Hon. Jennifer Ahearn, Acting Deputy Governor: Thank you, Madam Speaker.

Madam Speaker, honourable Members will be aware that last year the Deputy Governor laid on the Table of this honourable House a report from Commander Andrew Jenkins on the police response to five missing boaters and a subsequent report from two Justices of the Peace who worked with Commander Andrew Jenkins.

Madam Speaker, Members will recall that one of the key recommendations of these reports was that there should be a review of the capabilities of our entire search and rescue facility. I am pleased to advise this honourable House that such a review has taken place and I have today a report which was commissioned by the Governor's Office funded by the UK [United Kingdom] Foreign and Commonwealth Office and conducted by Her Majesty's Coast Guard, Maritime and Coast Guard Agency (MCA) which highlights the challenges of protecting our sea borders and makes recommendations for improvements in our search and rescue capability.

The Governor's Office and the Government are keen that this report be made public and with your permission I would like to Table it today.

The Speaker: So ordered.

Hon. Jennifer Ahearn, Acting Deputy Governor: Madam Speaker, some of the key recommendations in the report are as follows:

- The formation of the Strategic Committee to oversee search and rescue development in the Cayman Islands;
- The urgent repair of an offshore patrol vessel in consideration of the strategic replacement programme;
- The use of the Fire Service to provide in-shore search and rescue services where applicable to provide faster response times and relieve pressure from the Joint Marine Unit;
- The need to improve search and rescue services in the Sister Islands;
- The introduction of structured training packages;

- Improvements to emergency call handling procedures for search and rescue incidents; and
- The possible introduction of volunteer search and rescue services.

Madam Speaker, this honourable House will recall that during the review conducted by Commander Andrew Jenkins, it was noted that the police helicopter unit was down one pilot. I am pleased to advise that the second pilot has been recruited and his appointment will enhance our search and rescue capabilities.

In order to address some of the most pressing recommendations in the MCA Report, I am pleased to announce today that the Government will be providing immediate funding to the Joint Marine Unit for the repair of one long range patrol boat. Provisions will also be made for the supply of initial equipment to the Fire Service to enable faster response times to ensure search and rescue incidents. A Strategic Committee will also be formed to coordinate the development of search and rescue services, and this will be tasked with working towards the implementation of recommendations in the MCA report.

Madam Speaker, I can also announce that the United Kingdom is currently conducting a review of the security needs across the Overseas Territories. Consultations were held with the review team the week before last here in the Cayman Islands including a briefing with the National Security Council (NSC). We will be working closely with the United Kingdom to look for efficient and cost-effective ways to strengthen our response to the threats we face from serious and organised crimes. Finally, Madam Speaker, the National Security Council will be consulted on further initiatives following the conclusion of the security needs analysis. The report provides clear recommendations and the way forward to help improve the Cayman Islands' search and rescue response.

I believe that with the support of the Members of this honourable House and the various stakeholders, we can take steps to implement these recommendations and quickly make positive strides towards enhancing the search and rescue response capacity in the Cayman Islands.

Thank you, Madam Speaker.

The Speaker: I recognise the third elected Member for the district of West Bay.

Standing Order 32 *[Brief question]*

Mr. Bernie Bush, Deputy Leader of Opposition: Madam Speaker, Standing Order 32 — ask a brief question?

The Speaker: Yes, certainly.

Mr. Bernie A. Bush: They said they have identified another pilot for the helicopter. Have any consideration been given to the Caymanian pilot that we had stood here and asked over and over for him to get a chance to fly this Caymanian-owned helicopter?

The Speaker: Honourable Deputy Governor.

Hon. Jennifer Ahearn, Acting Deputy Governor: Thank you, Madam Speaker.

I would have to consult and provide a response to the Member on that. I do not have that information with me today.

The Speaker: Madam Clerk, next item.

PERSONAL EXPLANATIONS

Mr. Winston C. Connolly

The Speaker: I recognise the fifth elected Member for the district of George Town.

Mr. Winston C. Connolly: Thank you, Madam Speaker.

[Pause]

The Speaker: Fifth elected Member for the district of George Town.

Mr. Winston C. Connolly: Madam Speaker, I rise to give a personal statement.

In the editorial in the Cayman Compass, today, 27th of February 2017, the editor has attacked the Member for East End, the Honourable Arden McLean, and me for being “**clad in the mantle of protectionism of Caymanians**”. Let me start by correcting him. I am clad in the mantle of protecting my fellow Caymanians when wrongs have occurred and in fact, the last time I checked, as a Member of this honourable House, it is my job to do so. Two previous Attorney Generals have raised similar issues and have been ignored.

Had the Cayman Compass made any attempts at all to interview me about the Private Members' Motion I seconded, they may have been able to educate themselves and form their own opinions based on facts and what the issues were. Equally, had they taken the time to carry out responsible journalism, they may at least have aired, but I doubt it, the Caymanian lawyers' point of view in their editorial.

Unlike Mr. David R. Legge though, I do not sit at societies' top tables, fly in private jets, or wine and dine with the rich and famous. I meet and speak with ordinary Caymanians daily. The ones who have been there for generations and have seen the country their forefathers built now ignore them. The ones who have seen their children be told, repeatedly, that they have

no place at the top tables that Mr. Legge occupies, even when they have the same or superior academics and other credentials from the same or better schools as those who occupy those top tables.

It is with a sense of fairness, right and wrong, principles, and the ability to fight for equality of opportunity for my people that I speak for them. That is what was handed down to me by my Christian parents, and it is how I have always conducted my affairs. The issues for which I entered politics to try to stem, stop, or change have all been aired while I occupy this seat, even when they were controversial, uncomfortable, or misunderstood. I spoke my mind at all times so that people would know exactly where I stood on all issues; so they could make up their mind whether they wanted the sort of person I am as a representative, or whether they wanted to replace me with someone else who is afraid, intimidated to speak out on their behalf, or coerced into changing their minds. In my mind it is the right thing to do whether accepted or despised. I have lived by that practise and I will die by it.

Everyone knows where I stand on the issues which many other politicians will not tackle or are too afraid to tackle because they are afraid it will cost them a seat or their popularity. I do not covet either. I care about my people. I care that they know where I stand, and I care that my family's respected reputation is on the line with me. I will always safeguard that which is sacred.

All MLAs [Members of the Legislative Assembly] received letters from lawyers; in fact, five of us are lawyers in our own right so we know exactly what has occurred in the profession. What has occurred is significant. Consider that only one Caymanian who is educated in the Cayman Islands has been made equity partner in a major law firm in the last twenty years, in spite of Caymanians earning their degrees from Ivy League schools — one right here in the Cayman Islands; and having no lesser qualification than many of their foreign educated counterparts.

Other MLAs chose to belittle them and tell them they do not understand the issues, or simply to not respond to them at all, while other Caymanians in the profession have chosen not to speak for fear of reprisal or otherwise. That is also a concern; however, as for me, I have been consistent on this issue throughout my professional experience and since 2015 in politics once the Bill was brought forward for consideration.

I have also been consistent since 2004 in my professional capacity having been a lawyer, a member of the Business Staffing Plan Board, a member of the Executive of the Caymanian Bar Association (CBA), and also its Secretary; a member of the Legal Practitioner's Bill Review Committee of that same CBA in 2011-2012, a Member of the Cayman Islands Law Society (CILS), a Partner in a Financial Services Firm and now a politician. I think I have a unique per-

spective on this matter that not many in the Legislative Assembly or the country have. I have literally heard it from all sides and have been able to reach an informed position after digesting all the information and having lived some of the experiences personally.

Some of the concerns aired by me have been covered by your paper as far back as 2015 and in previous years by others. I have also spent hours speaking to you personally about my views. They have not changed after not having one law firm respond to my call for a statement of goals, namely:

- 1) To remove any barriers to full and equal participation of Cayman Attorneys in all levels of work, responsibilities, and rewards;
- 2) Improve the rate of retention of Caymanian attorneys;
- 3) Improve the rate at which the law firms promote or invite Caymanian attorneys to non-equity and equity partner status and management and leadership positions.

Madam Speaker, may I get a break to get some water please?

The Speaker: Yes.

[Pause]

The Speaker: The fifth elected Member for the district of George Town continuing.

Mr. Winston C. Connolly: Madam Speaker, thank you for that break.

- 4) Fully adhere to the letter and intent of the Immigration Law of the Cayman Islands, as revised, as it relates to hiring, training, and advancement of Caymanians;
- 5) Conduct critical self-audits and evaluations of whether the law firm is achieving these goals and to provide accountability measures in the process of implementing and aspiring to best practises.

I read the draft Bill when it was finally presented to me and subsequently spoke out about it publicly. I have given my amendments like I had when I was a Member of the PPM [People's Progressive Movement] caucus, only to see lip service given to them and watered-down versions of my interventions which neither protect nor ensure equality of opportunities for Caymanian lawyers.

Since early 2015 I have actually gone out and spoken to lawyer after lawyer — many times in private, because they were afraid to be seen with a politician by their employers — who represented to me that many of the concerns I had when I was a lawyer had still not been addressed and I passed them on to the Members of Government. To now insinuate that I

am simply playing politics to win a seat in the upcoming election is what is irresponsible and deplorable and flies in the face of legitimate concerns not “perceived” concerns of Caymanian lawyers, their parents, and those coming behind in Law School.

The Member for East End and I, after speaking with a number of lawyers, including learned Queen Counsel who made the representations; and hearing there is a culture of fear in the legal fraternity whereby people believe, and I have seen it, that if they speak out they will be ostracised, put our Motion forward because representations were falling on deaf ears. We were convinced by these lawyers that there was a legitimate argument here and the Legal Practitioners' Law and the Immigration Law of the Cayman Islands were being ignored.

In fact, none of the representations made by Ian Paget-Brown, the head of the LRC [Law Reform Commission] in his Grand Court opening speech in 2013 have ever been addressed by the government as issues, and nothing has been said in dozens of interviews and other findings. I am happy to forward those to you, Mr. Legge, and ask for your opinion on them as well. I'm afraid you would not have the ability to say *“he was not playing politics or trying to win a seat”*, but I would invite you to say something.

As a society, we cannot ignore the legitimate concerns of our people and then act alarmed and unaware when they appear at inconvenient times and in public settings, which may cause the same people who perpetuate such a system some embarrassment locally or internationally. The truth is often inconvenient to those who choose to ignore it.

Maybe if the same journalist sooner than condemn this as protectionism and politics, would read the appropriate sections of those laws when researching the Motion, they would have seen what senior members of the Bar, but not those sitting at the head table saw and represented to other MLAs including the Cabinet; but we are told that they did not understand the situation or the Bill or the practise of law in the Cayman Islands by at least one of those politicians and by association, and silence, presumably all the politicians on the Government bench and Cabinet. In his editorial he also speaks about a broad-side assault on the Cayman Islands' financial services sector's economy and community.

After speaking on this topic since July 2015; after speaking with several law firm partners, the Cayman Islands Law Society and the Caymanian Bar Association; and airing my concerns whereby a Bill that was not circulated for comment before the statutory 21 days was trying to be rammed down the throats of politicians, practitioners, and the Caymanian people, they all have fallen on deaf ears.

Seeing that no meaningful dialogue was being had, that any persons who spoke out about their concerns were belittled or ignored— and I intend to air some of those concerns by laying those letters on the

Table of the House— I felt I had no other recourse but to bring these issues forward in the Motion before the House and to debate the Motion.

The editor says **such Motions, thankfully, carry no official weight**. He is correct in how this Government has dealt with all Private Motions in the last four years bar one, however; but incorrect, like most persons who ignore the people of these Islands to their peril. I do not agree with him that it is dangerous. Is he saying that it is dangerous because it exposes decades of activities that have stymied Caymanian advancement socially and economically in the legal fraternity and Caymanian society? Dangerous because it alleges discriminatory practises and asks the Government and the Attorney General to investigate and ask tough questions that the legal fraternity refuses to answer? Dangerous enough to have allegedly caused the UK Private Investigative Company to have been hired by two local law firms to dig up dirt on the Member for East End and I, to bury us before the next campaign this last Friday?

The editor says that to his **knowledge there has never been a single complaint to law enforcement that Cayman's law firms were breaking the law**. The Compass' knowledge may be enhanced if they actually did their jobs as investigative and responsible journalists and sought to ask questions of all parties, not just one side. In fact, no one from the paper has asked me any questions on the Motion whatsoever. Ask me what I have done with the information represented to me and I will give you the answer. Ignorance is bliss, however, and you can always give a one-sided viewpoint if you have ignored the other side. Getting all facts does not make headlines or sell papers.

The Compass has at least succeeded in that this is a matter which may sway the next general election. My job here is to represent my people. I do not take that role lightly. I do it without fear or favour and make no apologies for it.

I waited hoping that the Government would step up, seeing that it has the numbers and four lawyers in Cabinet, some of whom had made similar representations as the lawyers writing to all MLAs now are, to ask the tough questions and engage in dialogue with the law firms on the same representations made to all politicians. This did not happen.

I waited for the Caymanian Bar Association to step up and take forward some of the issues on behalf of their members, as is their mandate, that had been issues for over a decade if not longer; matters we have discussed at length this term. This did not happen.

I waited for the Cayman Islands Law Society to adopt a statement of goals and acknowledge that there were issues in the training and promotion of Caymanian Attorneys which I raised with them and offered to speak to their partners on what Caymanian

lawyers felt; were saying and experiencing. I am still waiting for the invitation — this did not happen.

All the while I continued to engage with Caymanian attorneys who came to the forefront and bravely gave their viewpoints and their names. Those who were too afraid to state their views publicly because of fear of repercussion, those who are parties to confidentiality agreements stating they could not talk about their experiences in law firms — and an alarming pattern emerged. One I actually knew also, without the dialogue. After speaking at length to senior members of the Bar including learned Queen's Councils and other non-legal professionals, some of whom this editor has spoken to personally and knows that what I am saying is shared by them as well, I felt that whatever the consequences someone had to speak out publicly and air all sides before the Bill was heralded through the Floor of this House by the Government.

Mr. Legge can have his opinion on whether this Motion being brought to this honourable House is **irresponsible, contemptible, and utterly unthinkable**— and I have said in the past what I thought about some of his opinions. However, in a matter of national importance which has negatively impacted a number of Caymanian lawyers for decades, and if this Bill is passed in its current form it will negatively affect Caymanians for decades to come... What better place to air this than on the Floor of the Legislative Assembly, the House of the people and the church of democracy? The unthinkable is that someone would actually stand up to the very institutions that Mr. Legge courts daily. I would not dare bite the hand that feeds him, but I have always been an enigma wrapped in a riddle. The unthinkable also happened four years ago, when I gave up financial security and a partner position to represent my people — something my own family at times struggles to understand.

I do not expect someone like Mr. Legge to understand someone like me; in fact, few people do, but whilst I occupy this seat afforded to me by the good people of George Town, I do not have that luxury, sir, to avoid the issues. I represent the people of these islands' concerns. I am their voice when they cannot have one. I cannot shirk that responsibility no matter the cost to me personally, financially, or otherwise because I take my oath to them seriously: that I will stand up to protect them when I feel they are being disenfranchised. That is what leadership is about — and also democracy.

I have not wantonly set out to attack anyone without merit. Please be sure to listen to the debate when I put forward the basis of everything alleged in the Motion since you did not ask whether I had one, what spurred the Motion, or even what steps had been taken before bringing the Motion, before your paper's article and editorial. Then again, I would only expect that from an objective newspaper and from responsible journalism, so forgive me if your opinion

without hearing both sides is ignored by me for what it is: the ramblings of someone wanting to show his masters that he is taking their side. Again, that is just my opinion and to my knowledge it is what is occurring, but I will actually say for the record that I have not done any fact checking which is more than I can say for you, sir, or your reporters.

What I will not accept from you or the legal profession is that I have overstepped the boundaries of legislative decency and decorum. When all sides of the issue are debated on the Floor, I will see if you have the decency to acknowledge something else, but I doubt it.

I call on all Members of the Legislative Assembly to come forward as you have said. I want them to speak on the issue. It is one of the reasons I seconded the Motion. We have been elected by the people, for the people. It is time they heard our voices and our positions. At the end of the day, they and history will judge us, Mr. Legge, not you, and when I am long gone from this honourable House my children will know what I tried to do for their generation and the lawyers of this country who cannot speak for themselves.

Your opinion... well you know what they say about opinions.

Thank you, Madam Speaker.

[Applause]

The Speaker: Madam Clerk.

OBITUARY AND OTHER CEREMONIAL SPEECHES

The Speaker: None.

RAISING OF MATTERS OF PRIVILEGES

The Speaker: None.

GOVERNMENT BUSINESS

BILLS

SECOND READINGS

COMPANIES MANAGEMENT (AMENDMENT) (NO. 2) BILL, 2016

The Speaker: I recognise the Honourable Minister responsible for Financial Services.

Hon. G. Wayne Panton, Minister of Financial Services, Commerce, & Environment: Thank you very much, Madam Speaker. Good morning.

I rise to beg to move the Motion for the Second Reading of a Bill shortly entitled the Limited Liability Companies (Amendment) Bill, 2016.

The Speaker: The Bill has been duly moved. Does the Honourable Minister wish to speak thereto?

Hon. G. Wayne Panton: Yes, thank you very much, Madam Speaker.

[Pause]

Hon. G. Wayne Panton: I beg your indulgence for a moment, Madam Speaker.

The Speaker: Certainly.

[Pause]

Hon. G. Wayne Panton: Madam Speaker, thank you for your indulgence. I apologise, let me restart. I had my notes mixed.

Madam Speaker, I beg to move the Second Reading of a Bill shortly entitled the Companies Management (Amendment) (No. 2) Bill, 2016 which I believe reflects the correct order on the Order Paper.

The Speaker: That is correct. The Companies Management (Amendment) (No. 2) Bill, 2016 is the Bill that should be moved at this stage.

Hon. G. Wayne Panton: Thank you, Madam Speaker.

Madam Speaker, I rise to present the Bill on behalf of the Government which is a Bill to amend the Companies Management Law (2003 Revision) to add a new corporate service to the business of company management as defined under the law. That is namely establishing and maintaining beneficial ownership registers on behalf of a company or limited liability company incorporated or formed in the islands by making such registers available or searchable by the competent authority established by the Companies Amendment Law, 2017.

Madam Speaker, the reason for this Bill is to establish the centralised platform for beneficial ownership information. It is a necessary part of the legislative changes to allow for this platform that have already been discussed in this House on the previous Bill dealt with. The purpose of the amendment in particular is to ensure that the role of local corporate service providers in maintaining beneficial ownership registers on behalf of their clients will fall under the supervision of the Cayman Islands Monetary Authority (CIMA). This is a significant strength of our approach to maintaining local beneficial ownership information on Cayman companies.

Local service providers have maintained beneficial ownership information on their clients for the

past 15 years and by linking their role in creating registers that connect to the centralised platform with their responsibilities to maintain verified beneficial ownership information, we are ensuring that both the accuracy and timeliness of information which is accessible to the beneficial ownership competent authority. In terms of the Bill and the arrangement of the clauses:

Clause 1 provides for the short title and commencement of the Legislation,

Clause 2 amends the definition of business of company management in section 3 of the Principal Law to add the service of establishing and maintaining beneficial ownership registers on behalf of a company or a limited liability company incorporated or formed in the Islands and making such registers searchable by the competent authority established under The Companies Amendment Law, 2017. The clause amends section 18 of the Principal Law to give the power to the Cayman Islands Monetary Authority to revoke licenses or impose other licensing sanctions for contraventions of the anticipated Companies (Amendment) Law, 2017 or the Limited liability Companies (Amendment) Law, 2017.

The clause also amends section 19(2) of the Principal Law to add another purpose for which the Authority may seek a search warrant from a magistrate or a judge of the Grand Court, namely to ascertain whether there has been a contravention of any aspect of the aforementioned laws.

Madam Speaker, as noted in respect of the Companies (Amendment) Bill, following extensive consultation with local industry and feedback received from Her Majesty's Government in respect of the exchange of notes, several committee stage amendments have been agreed. In relation to this Bill, the committee stage change will allow local service providers to indicate to the beneficial ownership competent authority, if an entity that is being queried is exempt from the application of the Companies (Amendment) Law, 2017 or the Limited Liability Companies (Amendment) Law, 2017.

Madam Speaker, in brief, that sets out my presentation of the proposed Bill and I commend it to this honourable House for passage.

Thank you.

The Speaker: Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? *[Pause]* Final call, does any other Member wish to speak?

If not, I will recognise once again the Honourable Minister responsible for Financial Services.

Hon. G. Wayne Panton: Thank you, Madam Speaker, and I thank other Members of this honourable House for their tacit support.

The Speaker: The question is that the Bill shortly entitled the Companies Management (Amendment) (No. 2) Bill, 2016 be given a second reading.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Companies Management (Amendment) (No. 2) Bill, 2016 given a second reading.

TRADE AND BUSINESS LICENSING (AMENDMENT) BILL, 2017

The Speaker: I recognise the Honourable Minister responsible for Financial Services.

Hon. G. Wayne Panton: Thank you, Madam Speaker.

I beg to move the Second Reading of a Bill shortly entitled the Trade and Business Licensing (Amendment) Bill, 2017.

The Speaker: The Bill has been duly moved. Does the Honourable Minister wish to speak to this Bill?

Hon. G. Wayne Panton: Thank you, Madam Speaker. I will be brief in respect of this.

Madam Speaker, I rise to present the Bill on behalf of the Government. It is a Bill which seeks to amend the Trade and Business Licensing (TBL) Law, 2014.

In accordance with the FATF [Financial Action Task Force] recommendation set out on anti-money laundering and countering the financing of terrorism, the Cayman Islands is required to ensure the adequacy of the laws and regulations that relate to entities that can be abused in respect of money laundering and the financing of terrorism. To satisfy international standards on anti-money laundering and countering the financing of terrorism, amendments were required to the Trade and Business Licensing Law, 2014.

The Bill seeks to amend the Trade and Business Licensing Law, 2014 to clarify and further extend the application of and exemptions to that law; these changes to the current law are intended to provide clarity and promote a better understanding of the law. The Bill amends the law to include some examples of agricultural products that are exempt from the law and extends the Trade and Business Licensing Boards' functions that may be delegated to the Department of Commerce and Investment. These proposed provisions focus on supporting Caymanian agricultural producers and improving the ease with which Caymanian businesses can be licenced by allowing for more streamlined operations of the board and de-

partment, all of which allows for greater efficiency and faster turnaround times for applications.

Madam Speaker, the Bill intends to clarify that the Board or Department may grant a trade officer the equipment necessary to carry out their instructions to the officer; and amends the requirements for license and renewal applications. Additional changes include removing the requirement for police clearance certificates for those with an interest in listed companies only requiring evidence of compliance with the island's laws about pensions and health insurance in relation to employees and to clarify the requirements of particular business vehicles. There are some changes to the fee schedule, but it is primarily to provide greater clarity in respect to the fee structure and not to add any new fees.

Madam Speaker, there have been a number of significant amendments proposed following a public consultation process. These will be addressed in the committee stage and I will speak to them as appropriate at the time, but as an indication, one of those is to remove the proposed amendments regarding confidentiality requirements and assistance with certain information exchanges pursuant to clause 10.

Madam Speaker, that concludes my presentation in respect of this Bill. I commend the Trade and Business Licensing (Amendment) Bill, 2017 to this honourable House for passage.

The Speaker: Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? *[Pause]* Final call — I recognise the fourth elected Member for the district of Bodden Town.

Mr. Alva H. Suckoo, Jr., Fourth Elected Member for Bodden Town: Thank you, Madam Speaker.

[Pause]

Mr. Alva H. Suckoo, Jr.: Madam Speaker, briefly, I have a question that I hope the Minister will address in his wind up. I am just trying to locate the relevant clause in the Bill.

I think it is clause 7(b) and deals with pension and health requirements for companies and I think it removes the requirement, if am reading the right clause, for companies to have to continue these requirements for the principal owners of a business, if I am reading that correctly. I wonder whether the Minister could expand on that when he winds up and explain the rationale behind it — why that is being done; but also if he has any idea how many companies are currently in breach or the requirement to provide pension and health. In effect, what would be the overall benefit to these companies by doing this?

Also, I am submitting a committee stage amendment for us to discuss and hopefully decide on, but has the Minister looked into expanding section 3 of the law whereby we could perhaps provide exemp-

tions for other types of businesses because that section of the law exempts businesses from the Trade and Business Law which might be of some significant benefit especially to Caymanian entrepreneurs who are starting out new ventures and so forth or are involved in areas of business or new industries that are considered ground breaking. For example, I know many of our young people are involved in producing their own music videos. You know, music, literary works, dramatic works, art... I think, it would be a good gesture and support for those individuals if we were to exempt them, at least for the time being, from trading business requirements so that they could get a head start.

I know the license fees themselves are probably not that significant but any little bit would help; would go a long way especially some of these young people I talk to who do not have the financial backing to really jump right in to business but they are trying it on their own. I have proposed an amendment that we can look at in committee stage asking for that but perhaps the Minister would indicate ahead of time whether he would be supportive of that. Just those two observations and questions, Madam Speaker.

Thank you.

The Speaker: Does any other Member wish to speak? The fifth elected Member for George Town.

Mr. Winston C. Connolly: Thank you, Madam Speaker.

I rise to give a brief commentary on this draft Bill, a Bill for a law to amend the Trade and Business Licensing Law.

Madam Speaker, sometime ago I raised a Private Member's Motion regarding the exemptions from the Trade and Business License regime for professional companies in the Cayman Islands. At the time, I think the Motion was accepted unanimously and there were some representations made whereby those issues would be looked into.

Madam Speaker, these amendments do not consider those exclusions and I want to ask the Minister in his wrap-up, why not and whether they were considered as was accepted by the Motion; and also what the findings of any of those meetings were, because what I was saying at the time and continue to say today is that if professions can come into the Cayman Islands and be exempted from the Trade and Business License regime, how can we be assured that our Caymanian professionals are being looked at because if they fall under some other licensing regime, the scrutiny is usually about competency for the job, and whether they are a fit and proper person. It does not include the Immigration Law or some other body that would scrutinise the numbers of Caymanian professionals in such an area.

What the circumvention of the Trade and Business Licensing Law, with the exemptions thereto,

are doing to those professionals in that they do not have to even look at them and with the anecdotal evidence that the Local Companies Control Law (LCCL) licenses are being granted at such a—I am not going to use the word I was going to use—but instead of being done as anomalies they have now become main stream.

Madam Speaker, if businesses are operating in the Cayman Islands, if professionals are operating in the Cayman Islands, there should be some checks and balances because if we do not look out, what has occurred will continue to occur and that is, the number of young Caymanian professionals who look to some of these businesses, get the doors closed on them, even in cases where they have all the necessary academics and credentials because no one is looking. If someone is not looking it is easy to have them marginalised. We [would] do our people a disservice 30 years after some of these laws were put in place, when we did not have those numbers of Caymanian professionals that could enter the work force.

When I raised the issue back in 2014, the Minister of Financial Services indicated that it would come in short order because I believe there was either a review ongoing at the time or just about to go on. It was not in the last amendment and so, I am simply asking whether or not as the Motion called for that those bespoke issues were considered and if they were considered, why they are not in either of the last two amendments to the Bill because there are other needs of this country that need to be carved out. I agree with that. We need to be able to facilitate things like family offices and others where Caymanian participation is neither desired or required but the net benefit to our people by having such people in our Islands participating in the economy, participating in society—the closed offices so to speak.

However, in the same vein, there are a number of professions in the Cayman Islands where 30 years ago were definitely underserved by Caymanians but in many instances, this is no longer the case, so when we are looking at making any laws down here and passing any Bills, I would like to implore us to remember the two questions that we should be asking at all times. Is it good for Cayman? Is it good for Caymanians? After that, all things will fall in place.

Madam Speaker, I would implore the Government to look at those exemptions carefully. If we are going to build capacity and we are going to nation build, we have to ensure that our people are getting access to the most lucrative roles in the country if they have worked hard and deserved them. If we do not, we are failing in our duties because we cannot live for what the market is dictating now without looking down the line. We have to ensure that what decisions we make today are far reaching and beneficial to those coming tomorrow where we do not inadvertently throw out the baby with the bath water.

Madam Speaker, you have often heard me ask about where the plan is because, again, if we are just looking for today and not for tomorrow the eventuality is that some of our people are going to be left behind. I truly believe that when our laws were designed the intent and the letter of those laws were simple: 60 per cent Caymanian ownership, unless we did not have the capacity to fill it, but it was incumbent on the Government then, and subsequent Governments to ensure that our labour needs, our professional needs were given the proper incentives so our people would go down that path and know there was something at the end of the rainbow if they so choose.

Madam Speaker, it is time that we critically look at how our laws have developed many times by market forces to see whether the intent and the letter of our political forefathers are being carried out in our laws because, again, we are doing our people disfavoured if we do not think generations ahead. We have seen many incidents of businesses coming here and not having to go through the Trade and Business Licensing Board or regime and we have seen what has occurred and I dare say it has not been beneficial to those Caymanians who were here and their children when these laws were designed and put in place. I have said it a million times if I have said it at all: anyone can come here, anyone can prosper, anyone can become Caymanian and when they become Caymanian they have every right as any other Caymanian in this country, but we cannot forget the Caymanians that were here who the laws were put in place for and their children coming behind them. It is those parents who have dreams and aspirations for their kids and that their kids be treated no differently than any other Caymanian in this country.

Madam Speaker, I have seen some of the recommendations from a review of the Trade and Business Licensing regime from before this administration came into play and I do not see many of those having been put in play. We need to ensure that any laws dealing with licencing of businesses operating in and from and using the good name of Cayman are properly regulated, contemplated, and that the laws pertaining to all of them are always kept in mind when decisions are being made. Inconsistent application for appropriate licencing has an ill effect on Cayman true ownership in firms and businesses operating in the Cayman Islands.

As a Government, it should also be incumbent on us to look at whether or not we are getting appropriate fees for some of these activities. We hear every day from small business owners that they feel that the fees, the regulations, and some of the hoops that they have to go through are arduous and it is stopping business. Why are we looking to heavily enforce the small man on the street when we exempt all the big boys at the top of the food chain?

We have to be fair and these things have to be applied across the board. We need to critically look

at our laws, especially the Trade and Business Licensing Law. Remember why it was put in place; remember the intent and the letter of the law.

Madam Speaker, I understand the changes the Minister is trying to bring forward and I am happy to see some of them because they are timely; but let us not forget the letter and intent of our laws.

Thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak? I recognise the Member for East End.

Mr. V. Arden McLean, First Elected Member for East End: Thank you, Madam Speaker. I shall be brief or I hope to be.

Madam Speaker, I am witnessing in this country the deterioration of our people's ability to survive in the trade and business world (locally, that is) and I wish to bring to the attention of the Government how, in my view, some of that is happening. Over the last year or two, I have witnessed the construction industry being circumvented by people; this law gives them the right to do it, and we need to start plugging the loop-hole.

Madam Speaker, in particular, I bring the Government and by extension the Minister's attention to section 18 where subsection (4) says: **Where a company is not Caymanian owned and controlled, the applicant shall, unless exempted by the Local Companies Control Law (2007 Revision), apply for a licence under that Law prior to applying for a licence under this Law.** Then, when we look at 19(1) (v) ...

19(1) says, **A license shall not be granted or reviewed by the Board under this Law where the Board is satisfied that:**

a) the applicant—

And I go to

(v) **being a company is not Caymanian owned and controlled and does not have a licence in accordance with the Local Companies Control Law (2007 Revision), except where the company is an exempted company under section 164 of the Companies Law (2013 Revision).**

Now, Madam Speaker, construction companies and firms of professionals in the construction sector, whether small or large, are listed with the fees in the category of trade or business under Part B. **A firm of 1-5 professional exempt a firm of 6-10 professionals \$1,500** and so on.

Madam Speaker, what I see happening, which I think the Minister needs to pay attention to, is that people are coming here, purchasing properties and then applying for a LCCL and bringing people in to do construction and therein starts an LCCL for expanding that construction — expanding in the sense from homes into something else. I have seen at least two

such companies that have come in and whereby one can own up to two or three apartments, something like that, they are using it as a means of building circumventing the Trade and Business License Law. We understand and appreciate that Caymanian construction companies lose as a result of such action and if Caymanian construction companies lose, then, by extension, the economy loses.

We need to plug the loophole — and soon. I have seen it; as a matter of fact, I spoke to someone who worked for someone under those conditions. I do not know whether it was by omission that we created that situation, but it needs to be [corrected] now. It needs to be stopped. We have too many Caymanians with construction licences— and incidentally, they are now being asked to register as contractors as well so, what happens when they have to pay all these fees, electricians and what have you, and people come in and create their own construction company just to build homes under an LCCL?

That is a serious gap in my view, how people are circumventing it and Madam Speaker, I do not have the full details on it — I will admit that; but, based on the information coming to me, we need to look into it and I call on the Government, if they are not aware or if there are provisions where LCCLs are issued in these instances we need to stem it in the construction industry because, when we really think of the construction industry in our country it can almost be described as our stock market where—

- 1) The lower end of our economy gets the trickle-down effect; and
- 2) If not much all construction in this country results in occupancy by businesses or whatever the case may be which affects the economy directly.

Hence, construction, (development), is like our stock exchange, our stock market. We need it to survive despite the Conservation Bill — and I think I should make it clear once again that although I am no conservationist, I recognise that extinction is forever. If it is necessary to remove a tree you are not going to find me turning into a tree hugger because I understand that when it is necessary we need to do what we have to do. It may mean replanting it, but if it is necessary for the advancement of this country, then it may very well be that we have to take it out. Try to control how much we take out, but construction is our stock market and if we are getting people coming here and getting LCCLs to build their homes or build apartments on speculation because they are going to be living in one of those apartments, then we have lost the central piece of the jigsaw puzzle in the construction industry.

If one does it, we will see a train of people doing it in the not too distant future because they will advertise and ask for Caymanian participation to build these homes and Caymanians are not going to participate in that and they get their LCCL and go build their

homes. That needs to stop and it needs to stop quickly; that is, Madam Speaker, if it is happening in the manner I just described because every Caymanian who wants to start a business has to jump through all the hoops to do it and we expect them to follow the letter of the law and pay their dues to this country yet people come in here and do as they please. It is a runaway train with disaster written all over it and it is a disaster for the Caymanian businesses that must jump through the hoops to be able to survive in their own country. No one should have to compete with that in this country.

Maybe it is time, and I have said this before, Madam Speaker, to look at the LCCL [regime] too. Maybe it is time, because we have sufficient construction companies that can do those types of jobs. Maybe it is time we take a comprehensive look at the LCCL. Who is getting LCCLs and under what conditions? How are they circumventing the Trade and Business License Law by applying for an LCCL? Advertising for Caymanian participation and, really, inflating the value of their projects.

Madam Speaker, I do not know who is doing the due diligence, but I know we need to scrutinise it more closely. I spoke of this sometime ago in this honourable House with regard to dive operations and I was told that it was not happening nevertheless they are advertising in the papers— and I am not blaming the political directory. I am saying that a more robust system for due diligence needs to be put in place and if what is going on in this country with the application for LCCL is found to be wanting, then we need to correct it.

I believe it is one of the greatest threats to entrepreneurship in this country, LCCLs trying to circumvent the businesses that young Caymanians can do, and if we do not look at it, the day of the entrepreneur — especially young ones coming up with ideas — will be over, so Madam Speaker, I would ask that the Minister take a little of his time to respond in that regard. It is damaging if such a thing is going on; and I do not want to say definitively, but it is my understanding that it is what is happening.

Thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? *[Pause]*

Final call, does any other Member wish to speak? If not, I once again recognise the Honourable Minister responsible for Financial Services.

Hon. G Wayne Panton: Thank you, very much, Madam Speaker.

I would like to thank the Members for their comments in respect of the Bill and other comments which relate to the broader issue of business licencing under the Trade and Business Licensing Law. Let me start in respect of the Member for East End's com-

ments, who started off saying he hears many complaints about the deterioration of small business in the country.

Madam Speaker, when we took office we recognised that small businesses were under pressure. We recognised that many were years delinquent on the fees in respect of Trade and Business Licences and as we set about looking at ways to assist in respect of that we came up with a Small Business Incentive Program. We defined what a small business and a micro business were and created incentives around that in terms of fee discounts for small businesses depending on which district they were located in. For those that were in the central business districts, there was a 50 per cent discount, but as they went away from the business district, we offered significantly greater discounts. The greatest discounts apply to the Sister Islands. I think their fees are in the region of 25 per cent of the normal fee while the Eastern districts are in the region of a 75 per cent discount.

Madam Speaker, we also took the position that we needed to allow these small businesses to be able to qualify by getting licenced again and what I mean by qualify, is to qualify as a fully licenced business, a properly licenced business, to be able to participate in public sector as well as private sector bids — a request for proposals. Many of those today, whether they are public or private, I think it is the case exclusively in relation to public but I suspect a very high proportion of private bids also specify that you have to be a properly licenced business so, a part of this programme was to allow small businesses to be able to reapply to get licenced and that the outstanding fees would be waived.

In addition, stepping back to discounts for small and micro businesses, we reduced the fees —

[Inaudible interjection]

Hon. G. Wayne Panton: Sorry, Madam Speaker, just to clarify. In respect of micro businesses — that is a business that has four employees or fewer — the fees were reduced to zero so there was no fee for micro businesses to be able to get properly licenced to qualify. In terms of small businesses (they were larger than the micros, up to 12 employees), they were able to benefit from the discount programme, the initiatives across the Islands, just depending on where they were based.

Madam Speaker, we have approximately 2,500 small businesses and micro businesses that have taken advantage of this programme. That means there is a tremendous number of these businesses that have become properly licenced and are now able to participate in the business environment as properly licenced businesses. We also have around 1,000 new businesses today than we had three or four years ago. All of that points to a significant enhancement in

small businesses and general businesses' ability to function in the environment and to bring about a return for those people who are engaged in those businesses, and importantly we all know that because of the significant number of small businesses they also contribute very significantly to the employment numbers.

If a large company has 300 employees, if they have to hire because of growth, they may be looking at 10 or 15 people, but if you have 2,000 small companies for which the environment has been created whereby they are actually able to do better, if each of them hires one person or only half of them hires one person, we are talking about 1,000 jobs as opposed to 15, so it is very important, Madam Speaker. We certainly understand the need to support the small business environment, and that is precisely what we have been doing.

I think the numbers demonstrate that rather than a deterioration they have been doing better, and we only need to look at the improvement in the economy as measured by the Gross Domestic Product (GDP) as well, but we went further than those programmes I just mentioned. We have also reduced the import duty for licenced traders from 22 per cent to 20 per cent — that has no doubt helped small businesses as well. I think we also have to consider the fuel duty reduction done through CUC [Caribbean Utilities Co Ltd] in respect of the fuel that they burn to generate energy. That is about 17 million a year that remains in the pockets of consumers in this country, whether they are individuals or whether they are businesses.

Clearly, small businesses have benefited from all of these initiatives as well. That is important to us. It is the reason why we have been seeking to engage in these types of things and there are other initiatives which are under consideration to further help small businesses and to further incentivise and create an environment where they look to hire additional people, specifically Caymanians, but also have their costs reduced in other ways.

Madam Speaker, the Member for East End referred to construction companies and said that it was his understanding that Local Companies Control Licenses are being granted to many of them. It is not the first time the Member has raised that, and I can assure this honourable House that the issue has been examined. In terms of construction companies, we have the older, large established companies — McAlpine is an example — some of which have had LCCLs for a long time; but we do not have new construction companies being formed, certainly during this Government's administration where LCCLs were granted. I think the Member may—

[Inaudible Interjections]

Hon. G. Wayne Panton: The Member may have in mind development companies that are owning properties.

Mr. V. Arden McLean: If the Member would give way—

The Speaker: Member for East End.

Mr. V. Arden McLean: Madam Speaker, he is precisely right. That is what I talked about; they are engaging in LCCLs but really, it is only to build their own homes in many instances. It is a development and then they bring in people to help them build those homes.

The Speaker: Honourable Minister.

Hon. G. Wayne Panton: Thank you, Madam Speaker.

I appreciate the clarification, but it does not change the fact that as a Government we have not engaged in issuing LCCLs to construction companies so no LCCLs have been issued for construction companies but where, as in the past, a developer comes along with a proposal to do a development which, and I hear the Member's reference to building their own house, I do not know of any application that has been made to Cabinet or to the Board for an LCCL to build their own house — a separate residence. I am not aware of anything like that.

However, Madam Speaker, it is clearly the case, as I said, as it has been for probably decades now, that if you have a developer come along with a proposal, he has bought land and is seeking to do a development, a typical sort of 20-40 condominium or apartment type development, they will typically make an application for an LCCL — a Local Companies Control License in that respect. It comes to Cabinet where there is a request for an exemption from advertising for Caymanian participation. When that is done, if we feel that it falls within the requirements and it is an appropriate decision to make, what happens is that conditions are placed on the Local Companies Control Law License applicant whereby they have to utilise Caymanian construction businesses and Caymanian construction workers.

Madam Speaker, my colleague the Minister for Labour has certainly made sure that whenever that occurs, it is an issue that is focused on. I am not sure she needs to remind us, but she certainly does. Those are the typical types of circumstances where you may have a development company which is doing a significant development applying for an LCCL to carry out the business of doing that development and the conditions that are typically attached are that they must use local construction labour or local licenced construction companies.

That is quite a bit different from a suggestion that construction companies per se are being given LCCLs which is absolutely not the case. I am aware of LCCLs for some of the bigger, older construction companies but nothing new and certainly nothing dur-

ing this term. If I thought the Member was right in his understanding I, and I think every one of us, would certainly be concerned about any attempt to circumvent the rules, the requirements of the law; but I am confident, Madam Speaker, that in respect of construction companies or development companies, when we are asked we apply conditions for Caymanian labour to be employed.

He also mentioned dive operations. I think in the past he has mentioned in this honourable House that he thought there were a number of dive operations who were given Local Companies Control Law Licences to operate. That is another area I have certainly examined closely, and I can confirm that no new dive company licences were issued to businesses as far as I am aware. Based on the information I have been provided with, what has happened and does happen is that we have at least two dive companies from a number of years ago, well predating this Government, that had been given Local Companies Control Law Licenses — or those are the only two I am aware of.

Madam Speaker, I know life in Cayman today. It is not easy for all of us to look around and identify who Caymanians are anymore but —

[Inaudible interjections]

Hon. G. Wayne Panton: Of course not, but if you see someone who you think is not a Caymanian operating a business, you may jump to the conclusion that they are not Caymanian, and therefore they must have an LCCL but that is not my understanding and certainly I rely on the Department of Commerce and Investment to tell me if that is different, and I have been given assurances in that respect.

In terms of the comment from the fourth elected Member for Bodden Town, the rationale for the change in clause 7(c) in the Amendment Bill is absolutely to remove the requirement for businesses that do not have employees to demonstrate that they are in compliance with the Pension's Law and the Health Insurance Law.

Madam Speaker, these companies are typically companies that are operated by their owners, and the owners and shareholders will typically have other jobs where they have health and pension provided for them; they are working evenings and weekends running these companies, so where they do not have employees we felt, on consideration, that it was appropriate to remove the requirement for those particular types of companies to demonstrate that they have health insurance or a pension plan.

The rationale for that policy position was presented when the current version of the Trade and Business Licensing Law, the 2014 version, was presented in this honourable House and the main point of that is to ensure that there is a level playing field for businesses. We have many businesses in this country

— and this comes to the point on compliance that the Fourth Elected Member for Bodden Town asked about—that we know have not historically been in compliance with the National Pensions Law and perhaps the Health Insurance Law, as well.

We can all recall many of the reports, press statements, and articles dealing with these issues and the difficulties of having these enforcements done through the courts; so, Madam Speaker, that is designed to ensure there is a level playing field whereby businesses are able to operate fairly because it is absolutely unfair for some businesses to be able to play by the rules and have the proper health insurance and pension provisions for their employees while other businesses do not do it. If they were to be allowed to avoid their obligations there, they could have an unfair advantage of anywhere from five to fifteen per cent in terms of their cost, and that is truly a significant and unfair advantage between businesses where some are complying with the law and some are not.

It should go without saying as well that it is very unfair to the employees who are not having health insurance provided to them and also, in some cases, having the five per cent pension amount deducted from their salaries but not paid into a pension account or not having any deductions at all, with the business not paying the five per cent in both cases. With that policy approach we are seeking fairness for employees; and fairness and a level playing field for businesses.

This Bill, as I said, steps back a bit to examine circumstances where it is not necessary for us to insist on evidence of compliance in respect of those two laws. I cannot tell the Member exactly how many companies are not in compliance or in breach. I do not know anybody that necessarily can do that because they can change one day to the next, but we do know that there are and have been issues in the past, and this seeks to try to minimise those. The policy seeks to try to minimise those issues.

Madam Speaker, the Member also talked about an exemption in respect of clause 3, and we can certainly discuss that. At the time, I would have no issue in principle with the types of examples that he gave.

In respect of the comments from the fifth elected Member for George Town, the position the Member has taken is consistent with his views expressed in the past. The way the business licencing environment has been structured from a very long time ago is that if you are seeking to do a business and entering into business in this country you have to comply with the terms of the Trade and Business Licensing Law. However, the Trade and Business Licensing Law provides that if you are licenced by some other law without reference to the Trade and Business Licensing Law then you are able to be licenced under that other law and you are not subject to the Trade and Business Licensing Law.

Madam Speaker, if you are subject to the Trade and Business Licensing Law and you do not have the Caymanian ownership and control in the requisite amount of 60 per cent and you wish to conduct business, then you must apply for a Local Companies Control Law Licence. That licence is sometimes denied and where it is granted it is often subject to conditions but it is typically in areas where it would be difficult for Caymanians to participate whether it is proprietary information, proprietary process or, for example, the capital requirement significantly exceeds those that are generally available within this country.

In respect of those types of businesses that are outside the Trade and Business Licensing Law because they are regulated or licenced by another law, we have many examples in the context of those laws that are regulated by the Cayman Islands Monetary Authority (CIMA). You have the Banks and Trust Companies Law, you have things like the Companies Management Law, Money Services Business, other types of businesses that if those laws say that a business can be licenced under that law without reference to the Trade and Business Licensing Law then that is how they are regulated and they are not subject to the TBL.

Madam Speaker, the fifth elected Member for George Town also knows that we have been looking at this issue. We have had a plan for some time to effectively wrap the Local Companies Control Law License into the Trade and Business License. That initiative has not progressed to the point that I would have liked to see it progress to, but I think it will certainly be on the agenda going forward because it should be looked at holistically. We do need to ensure that what we have today in terms of business licences, and the relevant provisions that are applicable, are appropriate and fair and reflect current circumstances.

Certainly we, as a Government, do not take a position that businesses should be unduly restricted, but on the other hand, while businesses should be able to operate we must ensure that the opportunities are there for our people. We must ensure that there are careers available to them and they can participate whether as employees of these businesses or as owners, but we cannot make the choice for them. There are many people who just do not have an entrepreneurial spirit. They are very risk averse—they do not like taking chances; but there are many who do and the environment needs to be conducive to both. Whether it is a job or a career they want, a secure, rewarding career with a business, they should be able to have those opportunities opened to them if they have the necessary qualifications; and that is what the law says at this point in terms of the Immigration Law.

We have a historical issue with a perception and in some cases a reality that those options are not being appropriately laid open to Caymanians, but on the employment side, those are issues in respect of the Immigration Law and on the ownership side, those

are issues that are either controlled by the Trade and Business Licensing Law or some other law. If it is with the Trade and Business Licensing Law, then it falls under the LCCL regime, but there is no question that we have to ensure there is a balance taken and that opportunities which should be available to Caymanians in either situation, in either scenario, are available to them and there should not be any obstacles.

Madam Speaker, I do not know if it is a convenient time if you want to break because I probably have another 10 or 15 minutes. It is entirely up to you. I will wrap up.

The Speaker: I am entirely in the hands of the House; I am more than happy to break now. If you need a break, we can take a break.

Hon. G. Wayne Panton: I do not need a break. I will just wrap up.

The Speaker: Okay.

Hon. G. Wayne Panton: Madam Speaker, our role and our position is that we need to ensure that the laws apply equally across the board as far as possible, but in relation to certain small businesses, in particular micro businesses, we have created and carved out opportunities for them, improved their circumstances, and I think that should continue as policy because I have demonstrated it has had a very positive effect.

On the other hand, the fifth elected Member for George Town talked about big boys at the top of the food chain and about carving them out or exempting them. We have historically taken the route to licensing and regulating businesses that I mentioned earlier, either through the TBL or through some other law.

I suspect when the Member talks about exemptions for the big boys at the top of the food chain he is talking about some of the larger, longer-term businesses that have been set up. Those businesses have come into this country and have created employment opportunities; capital has been invested, and great careers have been created for Caymanians. They have become a significant part of the economy. I do not think that we can take an unfair position in respect to them and make demands that they have to necessarily give up half of the ownership or that sort of approach. That is a bit of a dangerous approach. It is effectively a version of nationalisation.

When Caymanians are allowed, pursuant to the existing laws, to take advantage of opportunities; to become a part of those businesses and ultimately get to the top... but whether they get to the top or not, if there are many positions, jobs, or careers available to people, if Caymanians are throughout upper management, middle management, and other types of

staff of a company, then they are participating. They are having good careers.

That is a good thing so, while we should not be looking at a situation where we are talking about nationalisation of a business, we should absolutely be looking at Caymanianisation of businesses and that happens, Madam Speaker. There are examples of that, but there are also examples where you cannot help but question why greater opportunities have not been available to Caymanians. There is no question about that. These are an ongoing issue that we have to deal with and that is why we are looking at situations where we can bring new legislation which modernises the regulatory and licensing framework and includes provisions specifically seeking to address these types of issues.

Madam Speaker, I think the Member for George Town referred to what we should do or encouraged that we should remember what the laws were originally put in place to do, and I do not disagree with him there; but we also need to remember that there are long standing relationships and a long standing regime for businesses to be licenced in. While we cannot change the rules overnight for businesses that have been here and have been a part of the economy and contributed to the country and development of the country and the creation of careers for Caymanians, what we can do if we think they are not working is change the requirements for businesses that are about to come in to the country, about to be a part of the economy. That is all absolutely fair game and it is the approach that is proposed in a number of areas in the legislation that the Government has been considering and certainly one of the areas which exists under the proposed Legal Practitioners Bill.

Madam Speaker, I think I have covered these points sufficiently. Many of them were certainly outside the specific provisions of this amendment Bill but I am certainly happy to confirm to honourable Members of this House that these are issues that continue to be looked at. It is absolutely on the agenda to look at rationalising and including things like the Local Companies Control Law within the Trade and Business Licensing Law.

Frankly, as far as I am concerned, nothing is off the table in terms of applying principles that are contained in these two laws [and] more broadly across the board, but it is not something that we can do overnight. I think it is right and it is fair to take a well-reasoned approach to this issue to ensure that the business environment that exists in this country, that contributes to the economy, that creates and provides significant career opportunities for Caymanians in this country, is sound and able to continue doing that while we look at these issues and try to assist our economy and the people of this country.

I thank you very much.

The Speaker: The question is that the Bill shortly entitled the Trade and Business Licensing (Amendment) Bill, 2017 be given a second reading.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Trade and Business Licensing (Amendment) Bill, 2017 was given a second reading.

The Speaker: We will now take the luncheon break and reconvene at 2:15 p.m.

Proceedings suspended at 12:54 pm

Proceedings resumed at 2:52 pm

The Speaker: Please be seated.
Proceedings are resumed.

LIMITED LIABILITY COMPANIES (AMENDMENT) BILL, 2016

The Speaker: I recognise the Honourable Minister responsible for Financial Services.

Hon. G. Wayne Panton: Thank you, Madam Speaker.

I beg to move the second reading of a Bill shortly entitled The Limited Liability Companies (Amendment) Bill, 2016.

The Speaker: The Bill has been duly moved does the Honourable Minister wish to speak thereto?

Hon. G. Wayne Panton: Thank you, Madam Speaker.

Madam Speaker, I rise to present the Bill on behalf of the Government which seeks to amend The Limited Liability Companies Law, 2016 in order to require limited liabilities companies incorporated in the Cayman Islands to establish and maintain beneficial ownership registers which may be searchable by a local competent authority. This is a companion Bill to the Companies (Amendment) (No. 2) Bill, 2016 and is necessary to ensure that all types of companies are appropriately captured as part of new requirements to establish and maintain register of beneficial ownership for a limited liability company along with all the usual corporate registers required for that type of company.

In terms of the composition of the Bill, clause 1 provides the short title and commencement.

Clause 2 amends the Principal Law by the insertion of a new Part 12. This new part is structured

and functions exactly as the new part XVIIIA in the Companies (Amendment) (No. 2) Bill, 2016.

Clause 3 deals with the transitional provision that no prosecution may be commenced against a limited liability company for an offence under section 100 as enacted by clause 2 of this Law, unless the act or omission that constituted the offence took place at least one year after coming into force of that section. That is effectively a grace period to allow service providers and those companies to ensure they are fully in compliance.

Madam Speaker, there are some committee stage changes. As previously discussed in relation to the Companies (Amendment) Bill, there was significant local industry consultation and feedback as well as feedback in this case from Her Majesty's Government on the issue of ensuring that their views are included as stakeholders, because they are a party to the exchange of notes. Thus, the changes we will put forward in relation to this Bill in principle mirror the changes to the Companies (Amendment) (No. 2) Bill we have already had a second reading on.

In short, that concludes my presentation on this Bill. I hope that it is clear why these amendments are being made and I commend the Limited Liability Companies (Amendment) Bill, 2016 to this honourable House for passage.

Thank you.

The Speaker: Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? *[Pause]* Final call, does any other Member wish to speak?

If not, I will call on the Honourable Minister for Financial Services should he wish to reply.

Hon. G. Wayne Panton: Madam Speaker, just to say thanks to all Honourable Members for their tacit support.

Thank you.

The Speaker: The question is that the Bill shortly entitled the Limited Liability Companies (Amendment) Bill, 2016 be given a second reading.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Limited Liability Companies (Amendment) Bill, 2016 was given a second reading.

LIMITED LIABILITY COMPANIES (AMENDMENT) (NO. 2) BILL, 2016

The Speaker: Honourable Minister for Financial Services.

Hon. G. Wayne Panton: Thank you, Madam Speaker.

I beg to move the second reading of a Bill shortly entitled the Limited Liability Companies (Amendment) (No. 2) Bill, 2016.

The Speaker: The Bill has been duly moved. Does the Honourable Minister wish to speak to the Bill?

Hon. G. Wayne Panton: Thank you, Madam Speaker.

Madam Speaker, this Amendment Bill seeks to remove the obligation now placed on the Government in Cabinet to deal with an application for an exemption under section 58 — that is, a tax exemption. The tax exemptions certificates process has changed from years passed as a result of... one moment, Madam Speaker.

[Pause]

Hon. G. Wayne Panton: Sorry, Madam Speaker, thank you.—

It has changed from years passed where the process involved the Governor under section 7(2) of the former constitution executing tax exemption certificates which were subsequently reviewed and approved by Cabinet on a weekly basis or once per month on a weekly basis through a Cabinet paper. This was effectively ratification of what was already done but further to the 2009 Constitution, the clear advice provided to the Cabinet Office was that the original process could no longer continue and Cabinet would have to actually approve each of the grants for the exemptions.

That is the process that has been followed until now and we are seeking to change that process by way of these amendments to relevant legislation which includes the Trust Law, Exempted Limited Partnership Law, Limited Liability Companies Law, and Exempted Limited Partnership Regulations. Of course, the latter does not come to this honourable House, but that is the context in which we are seeking to make these changes rather than Cabinet having to deal with what is effectively an administrative matter whereby the companies have demonstrated that they have satisfied all of their requirements to have these exemptions issued.

They are actually issued to minimise the work that involves Cabinet. There will be a requirement ongoing similar to what existed in the past for a report to be given to Cabinet on a monthly basis which shows the numbers of the Tax Exemption Certificates which have been applied for and issued as an administrative process.

Madam Speaker, I think that is the rationale for this Bill in broad terms and there will be others in connection with the amendments to that legislation that I listed earlier. In terms of the composition of the Bill, Part 1 contains the short title, and that is clause 1. Part 2 contains clauses 4 and 5 and deals with the amendment of section 58 of the Limited Liability Companies Law, 2016.

I think that will suffice in terms of presentation of this Bill but I certainly would like to thank the Ministry staff, members of the Financial Services Legislative Committee, the Legal Drafting Department and also private sector stakeholders. Certainly, that is true of any of the Bills that I, and I imagine most Ministries bring, but I want to definitely say that on this occasion as well as any other opportunity.

I therefore commend the Limited Liability Companies (Amendment) (No. 2) Bill, 2016 to this honourable House.

The Speaker: Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? *[Pause]* Final call, does any other Member wish to speak?

I recognise the Honourable Minister for Financial Services.

Hon. G. Wayne Panton: Madam Speaker, just to say thank you to all other Honourable Members of this House for their tacit support.

The Speaker: The question is that the Bill shortly entitled the Limited Liability Companies (Amendment) (No. 2) Bill, 2016 be given a second reading.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Limited Liability Companies (Amendment) (No. 2) Bill, 2016 was given a second reading.

EXEMPTED LIMITED PARTNERSHIP (AMENDMENT) BILL, 2016

The Clerk: The Exempted Limited Partnership (Amendment) Bill, 2016.

The Speaker: Honourable Minister for Financial Services.

Hon. G. Wayne Panton: Thank you Madam Speaker.

Madam Speaker, I beg to move the second reading of a Bill shortly entitled the Exempted Limited Partnership (Amendment) Bill, 2016.

The Speaker: The Bill has been duly moved. Does the Minister wish to speak thereto?

Hon. G. Wayne Panton: I do Madam Speaker. If you could give me a few seconds just to organise my papers here.

The Speaker: Absolutely.

[Pause]

Hon. G. Wayne Panton: Thank you, Madam Speaker.

Madam Speaker, I rise to present the Bill on behalf of the Government which seeks to, similar to the previous Bill, remove the obligation now placed on the Governor in Cabinet to deal with an application for an exemption under section 38 of the Principle Law in this case. For the same reasons outlined earlier, this amendment Bill is a part of the or one of the components of the relevant legislation which seeks to improve and expedite the tax undertaking certificate approval process.

In terms of the arrangement, Part 1 contains the short title which is comprised of Clause 1 and Part 2 deals with the amendment of section 38 of the Exempted Limited Partnership Law, 2014, which is comprised of Clause 2. I think that sets out the rationale and the content of the Bill.

I thank you, and commend this Bill to this honourable House.

The Speaker: Does any other Member wish to speak? [Pause] Does any other Member wish to speak? [Pause] Last call, does any other Member wish to speak?

I recognise the fifth elected Member for the district of George Town.

Mr. Winston C. Connolly: Thank you, Madam Speaker.

I rise to give a brief response or contribution to the debate on The Exempted Limited Partnership (Amendment) Bill, 2016.

Madam Speaker, going forward can we maybe— just a suggestion— if all the Bills pertain to this line of amendment, could we deal with all of them in one sway or not?

The Speaker: It has not traditionally been dealt with that way. Obviously, the House can move a Motion to do almost anything. If it is the will of the Government and the Opposition to move the Finance Bills one time, then you would have to bring a specific Motion setting that out while no Motion is on the Floor at the time. Otherwise, we will have to proceed one by one as tedious and mundane as it may appear to be.

[Pause]

The Speaker: I take it that your invitation to treat has not been accepted, so please proceed accordingly.

Mr. Winston C. Connolly: I have no further addition, Madam Speaker.

The Speaker: Okay.

Does any other Member wish to speak?

[Pause] Does any other Member wish to speak?

[Pause] Final call, does any other Member wish to speak?

I recognise the Honourable Minister for Financial Services should he wish to reply.

Hon. G. Wayne Panton: Just to thank Members for their tacit support, Madam Speaker.

The Speaker: The question is that The Exempted Limited Partnership (Amendment) Bill, 2016 be given a second reading.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Exempted Limited Partnership (Amendment) Bill, 2016 was given a second reading.

TAX CONCESSIONS (AMENDMENT) BILL, 2016

The Speaker: I recognise the Honourable Minister for Financial Services.

Hon. G. Wayne Panton: Thank you, Madam Speaker.

Madam Speaker, I beg to move the second reading of a Bill shortly entitled the Tax Concessions (Amendment) Bill, 2016.

The Speaker: The Bill has been duly moved. Does the Honourable Minister wish to speak to this Bill?

Hon. G. Wayne Panton: Thank you, Madam Speaker. I certainly agree; I would have loved to have dealt with all these changes in one omnibus Bill but I have to defer to the wiser heads in the Legal Drafting Department who thought it would be more appropriate to deal with them separately.

Madam Speaker, I think I have clearly outlined the rationale for the Tax Concessions (Amendment) Bill, 2016. It is the main bit of legislation that needs to be amended in addition to the other relevant pieces, some of which we have dealt with already. It would have been better if they were put in a particular order that was more logical and sequential, but I think I have

covered the rationale and the reasons behind the Bill in terms of the policy change and what we are trying to achieve with that — the efficiencies and faster turnaround time. I think I would mention that we anticipate a process that normally takes between two and four weeks sometimes to now be a matter of a few days so there is a very significant improvement in turnaround time and efficiency involved in this process.

Madam Speaker, we will be purchasing software to allow for the electronic issuance of tax undertaking certificates via the Registrar of Companies so that it works through the Registrar of Companies' companies portal. Certainly, this is going to be a significant improvement, as I said, in terms of turnaround time and efficiencies. In terms of the composition of the Bill, it is arranged in two clauses.

Clause 1 deals with the short title of the Bill, Clause 2 amends sections 6 of the Tax Concessions Law (2011 Revision) to appropriately assign responsibilities.

Madam Speaker, that concludes my short presentation in respect [to] this Bill. Again, I would like to thank those who have been engaged in making this Bill and its related amendment Bills happen, and I therefore commend this Tax Concessions (Amendment) Bill, 2016 to this honourable House for passage.

Thank you.

The Speaker: Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? *[Pause]* Final call, does any other Member wish to speak?

I recognise the Honourable Minister for Financial Services.

Hon. G. Wayne Panton: Just to thank the Members for their tacit support, Madam Speaker.

Thank you.

The Speaker: The question is that the Bill shortly entitled The Tax Concessions (Amendment) Bill, 2016 be given a second reading.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Tax Concessions (Amendment) Bill, 2016 was given a second reading.

TRUST (AMENDMENT) (NO. 2) BILL, 2016

The Speaker: Honourable Minister for Financial Services.

Hon. G. Wayne Panton: Thank you, Madam Speaker.

I beg to move the second reading of a Bill shortly entitled the Trust (Amendment) (No. 2) Bill, 2016.

The Speaker: The Bill has been duly moved. Does the Honourable Minister wish to speak to this Bill?

Hon. G. Wayne Panton: Very briefly, Madam Speaker. Again, this is hopefully the final piece of relevant legislation in connection with the Tax Concessions change and administrative process.

The Bill is arranged in two parts: Part 1 contains the short title, which is Clause 1; and Part 2 deals with the amendment of section 81 of the Trust Law (2011 Revision) with the power to give undertakings as to tax liability which is comprised of Clause 2.

That completes my presentation of this Bill, Madam Speaker, and I commend it to this honourable House for passage.

Thank you.

The Speaker: Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? *[Pause]* Final call, does any other Member wish to speak?

The Honourable Minister for Financial Services.

Hon. G. Wayne Panton: Thanks once again, Madam Speaker, to the Members for their tacit support.

The Speaker: The question is that The Trust (Amendment) (No. 2) Bill, 2016 be given a second reading.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Trust (Amendment) (No. 2) Bill, 2016 was given a second reading.

LIMITED LIABILITY PARTNERSHIP BILL, 2017

The Speaker: Honourable Minister for Financial Services.

Hon. G. Wayne Panton: Madam Speaker, I beg to move the second reading of a Bill shortly entitled the Limited Liability Partnership Bill, 2017.

The Speaker: The Bill has been duly moved. Does the Honourable Minister for Financial Services wish to speak thereto?

[Pause]

Hon. Wayne Panton: I beg your indulgence for another 30 seconds, Madam Speaker.

The Speaker: Granted.

[Pause]

Hon. G. Wayne Panton: Madam Speaker, thank you very much.

I rise to present this Bill on behalf of the Government to introduce a Limited Liability Partnership, or LLP, as a new type of business vehicle in the Cayman Islands. The LLP structure combines features of both companies and partnerships; simply put, an LLP is a partnership with separate legal personalities and limited liabilities for its partners. The introduction of an LLP which is increasingly prevalent in competitor jurisdictions would regain important grounds for local professional firms to maintain their current position in a highly competitive global environment. This new LLP structure is also consistent with the jurisdictions' reputation for maintaining up-to-date legal frameworks for doing business both within and outside the Islands.

Madam Speaker, the local professional firms including accountants and lawyers usually establish themselves as general partnerships where each partner is personally liable for all liabilities of the firm, which is a disadvantage for our local professional firms as they compete against other international service providers protected by limited liability. Therefore, the Bill is designed to blend the key attractive features of a General Partnership but with the added key feature of a separate legal personality which is similar to a company. As a result, an LLP would provide a new and attractive vehicle to carry on business with.

Madam Speaker, in addition, an LLP is designed to be used by persons who conduct business outside the Islands, as well, and thus the Bill has the potential to develop new product lines of business for international clients who utilise Cayman Islands structures. Accordingly, against this backdrop, the LLP structure is intended to complement existing Cayman Islands business vehicles and increase the attractiveness of the jurisdiction to professional service providers, thereby reinforcing the country's reputation as a top class international financial centre.

The Bill's features are as follows: an LLP may be formed for any lawful purpose; registration is effected by payment of a fee and filing a registration statement with the General Registry. This is similar to the process with an exempt limited partnership.

Madam Speaker, an LLP is required to use one of the following suffixes in its name either be "Limited Liability Partnership" at the end, or "LLP" or "L.L.P.". No other partnership or entity registered under the Partnership Law may use this suffix in its name unless it is, or will be, an entity registered under

the Limited Liability Partnership Law; or it is an existing entity that is currently using one of these suffixes in its name. We are not trying to disenfranchise existing entities that may have that name, but going forward, it cannot be used outside unless it is registered under this Bill as it becomes law.

The Bill also seeks to take into account existing Cayman Islands Laws and considerations including preserving the Rules of Equity and Common Law applicable to general partnerships as modified by the Partnership Law to apply to a Limited Liability Partnership, except so far as they are inconsistent with the provisions of the law. The Bill also allows for the conversion of an existing general partnership into an LLP, and registration by way of continuation of foreign LLPs into Cayman is also part of the provisions of the Bill.

Lastly, this Bill is consistent with international standards and provisions have been made for various registers to be maintained and, as appropriate, filed or made available to local authorities such being: a register of members, a register of managers, and a register of mortgages and charges; and maintaining books of account for at least five years. The Bill is arranged in 6 parts.

- Part 1 contains the preliminary provisions and is comprised of clauses 1-3;
- Part 2 deals with the features of a Limited Liabilities Partnership and is comprised of clauses 4–11;
- Part 3 deals with a relationship of a partner with other partners in the Limited Liability Partnership and their relationship with third parties and includes clauses 12-17;
- Part 4 deals with the registration and regulation of Limited Liability Partnerships and is comprised of clauses 18-21;
- Part 5 provides for the winding up, dissolution, and strike off of the Limited Liability Partnership and contains clauses 22-31;
- Part 6 makes provisions for the conversion of a firm which is in that case a General Partnership to a Limited Liability Partnership and is comprised of Clauses 32-36; and lastly,
- Part 7 sets out miscellaneous provisions and general matters and those are set out in clauses 22-23.

That sets out the content of the Bill. As usual, I would like to thank the Ministry and staff, and in particular, the LLP Subcommittee of the Financial Services Legislative Committee for their collective and tireless efforts in getting this done.

I should also mention that the Chairman of this Subcommittee was Mr. Bruce Putterill of late memory. This Bill was largely a result of his driving efforts to work with the Government to get this type of legislation done for this new structure, so I certainly thank them all and wish to recognise them all, in par-

ticular, Mr. Putterill. He was a wonderful man and he made extraordinary contributions to the Financial Services Industry and the local community. I should add that he served on the Board of the Maritime Authority for many years and was instrumental in the development of the Shipping Registry into the significant player it is today. He played a leading role in a number of other areas including Hospice Care. This Bill represents one of his final contributions to this country which he adopted and loved.

With that, I thank you and commend the Limited Liability Partnership Bill, 2017 to honourable Members of this House for passage.

Thank you.

The Speaker: Does any other Member wish to speak?

I recognise the fifth elected Member for the district of George Town.

Mr. Winston C. Connolly: Thank you, Madam Speaker.

I rise to make a few observations on the Limited Liability Partnership and to question the need for this Bill because on reading it, it does not appear to be of particular use as a financial product for international bodies and if it is not designed for that, what types of local businesses will be using this structure? To be clear, that is just trying to see why the Bill is necessary because there are some provisions that I will get into which cause some concerns including the ability for the creation of an entity that, as I read it, forgives past partners of liability in section 7 of the Bill in Part 2.

Madam Speaker, we make laws to enhance the attractiveness of these islands. We make products that our practitioners, be they accountants or lawyers or otherwise convince us of a pressing need to enhance the jurisdictional offerings, but when you look at the types of businesses that exist here that use the partnership structure, we are normally talking about law and accounting firms. Again — and I guess this is a theme with me; if this is not going to be primarily something that the international market uses, what are the mechanisms in place to ensure that LLPs are substantially Cayman-owned? Who benefits from the Bill locally?

Madam Speaker, if you look at those provisions of forgiving past liabilities, you have to wonder in what perceived instances that would be beneficial to, again, those international clients that we have and if these are pressing innovative structures that are being called for. If we start creating these types of structures and we do not look at the unintended consequences, there could be ramifications that might not be something of a step forward in terms of legislation.

Madam Speaker, if the Minister of Financial Services can look to answer those questions — if this is like the Limited Liability Companies whereby a

number of practitioners have said it is going to move significant business to the Cayman Islands, it would be one thing; but if we are talking primarily about local companies or partnerships being able to morph into a new animal without having some of the features of the existing limited partnerships then... Again, I look specifically at section 7 and point that out. Maybe the Minister can elucidate and give some clarification on what I said before about forgiving liabilities of former partners. That is potentially not a good thing.

Madam Speaker, I listened to the Minister and maybe he can say what other types of businesses use existing partnership structures in the Cayman Islands and whether or not this is something that we are marketing overseas because we feel a need for it to attract new business. We heard that it was a new and attractive vehicle to carry on business both inside and outside of the islands and that it would complement existing business structures. Again, we need to look at those business structures and how they might suddenly all opt to be limited liability partnerships for various reasons.

I do not have much to ask other than those questions and perhaps a clarification if my understanding of section 7, about the forgiveness of the past partners' liabilities is incorrect, and I will leave the Minister to answer those in his winding up.

Thank you.

The Speaker: Before calling on whether any other Member wishes to speak, I wish to recognise the presence of our representative from the Cayman Islands' London Office, Mr. Eric Bush, and welcome him back to the jurisdiction.

Does any other Member wish to speak?

[Pause] Does any other Member wish to speak?

[Pause] Final call does any other Member wish to speak?

I recognise the second elected Member for George Town.

Mr. Roy M. McTaggart, Second Elected Member for George Town: Thank you, Madam Speaker. Thank you for the opportunity to make a very short contribution in support of the Bill presently before the House.

Madam Speaker, this Bill is a long time coming because I remember it was in the year 2000, I was in my 10th year as a partner in a public accounting firm practicing as a General Partnership that began to lobby the Government of the day to bring legislation like this to provide a vehicle for people like professional accountants to find some way to limit their individual liabilities in the event of any sort of catastrophic claims against the firms, primarily for negligence or malpractice. Thus, I am particularly pleased to see it finally get before this House for consideration.

The Minister presenting the Bill spoke ably of the fact that primarily accountants and law firms would find the vehicle particularly attractive but the truth of

the matter is it would apply [to] any professional services type firms, maybe an architect firm, it may be a group of doctors who would find this type of structure particularly attractive in their ability to practise. Heretofore, anything other than a corporate structure would leave a partner or an individual subject to unlimited liability in the practise of his profession. Now this type of vehicle does give some protection in that if a particular partner is negligent, the entire partnership and all the other partners, you do not have what is known as contagion and third party contagion.

It is an extremely effective vehicle which I think professional services firms here on the island welcome. In fact, when I mentioned to my former colleagues that this was finally making its way to the Legislative Assembly, they were ecstatic with it. I do know most of the professional service accounting firms on the island practise general partnerships. I know they have been practising that way — at least in the case of one firm that I know — 50 years. This will provide the avenue for them to reregister and practice under this new form of vehicle that would give them the security and the protection they seek, and it is not a matter of trying to avoid liability or to evade claims whatsoever, Madam Speaker. It is a matter of limiting the effect of contagion.

That is what this type of structure really does to a professional services firm. I know one other firm that actually practices in a corporate structure. They were so keen to find a way to shelter themselves from unlimited individual liability that they opted for it and to be honest, when I was managing partner at a local firm we considered it in great lengths but opted to wait until this structure would come because it is the preferred structure for a professional services firm.

In conclusion, Madam Speaker, I would like to commend the Minister and the Ministry as well for their perseverance in getting the Legislation before this House, and I look forward to supporting the second reading of it this afternoon.

Thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak? *[Pause]* Does any other Member wish to speak? *[Pause]* Final call, does any other Member wish to speak?

I recognise the Honourable Minister for Financial Services.

Hon. G. Wayne Panton: Thank you very much, Madam Speaker.

Let me start by thanking the fifth elected Member for George Town for his comments and questions. I also would like to thank in particular the second elected Member for George Town for demonstrating the benefit of his experience in the professional environment for many decades and understanding the issues that are relevant not just to business and the practise of an audit or an accounting profession in the

Cayman Islands, but also what happens in the broader world as well.

Madam Speaker, he spoke about the essential need for this type of structure and why it is of great interest to practitioners whether they are in the legal profession or whether they are in the accounting profession or whether they are in any other profession in this country. I do not wish to go into any further details in terms of the need for it because I think, clearly, we have demonstrated in terms of my comments and from the second elected Member for George Town, why this Bill is appropriate. I will say it is a piece of legislation, as he said, that the local professional services industries have been waiting on for a very long time and it has been one of the items on the Financial Services Legislative Committees' agenda for a very long time.

It certainly provides a better structure for businesses to operate through for the reasons the second elected Member for George Town articulated. Of course, the fifth elected Member for George Town referred to Clause 7 (1), effectively (2) and (3) of the Bill and, yes, it does provide that:

7. (1) “ ... a partner or former partner [in a limited liability partnership shall] not be liable for a debt or loss of the limited liability partnership, including any debt or loss caused by the act or omission of another partner or former partner in the limited liability partnership.”

That goes directly, Madam Speaker, to the point the second elected Member for George Town made in terms of contagion; it allows professionals to operate within an environment where they effectively have the benefits of a partnership but also having the benefits of limited liability without actually having to go to a full corporate structure. I want to be clear here that this vehicle and the concept of having liability limited for our partners is perfectly normal in a corporate context because as a shareholder your liability is limited to any amount unpaid in the shares.

If you can use a corporate vehicle in this context without complaint, why should there be an issue with utilising a new form of vehicle which we have not invented. It exists in many of the major economies of the world. In fact, if you look at most of the large economies you will see that many of the professions, the businesses operate in the area of professions as LLPs or Limited Liability Partnerships. I think this is something that probably originated in the U.S but it certainly spread around the rest of the world in terms of the major economies as a vehicle which has tremendous flexibility for businesses that are operating in this area.

I think there was some suggestion that it may be a way around some existing licensing regime; it is nothing of the sort. If you have—let me take an accounting practice. Most accounting practices, as is the

case with law firms as well, have historically been general partnerships. They have historically been regulated under the Trade and Business Licensing Law because there was no other Law which regulated them. Law firms or legal partnerships have historically been regulated under the Legal Practitioners Law.

The Trade and Business Licensing Law, as mentioned earlier in the debate on the amendments to the Trading and Business Licensing Amendment Bill, does not apply to businesses that are regulated by another Law without reference to that; so, in relation to the accounting profession they are regulated by the Trade and Business Licensing Law, but where they are partnerships, clearly the Local Companies Control Law License provision does not apply to them because they are not a company.

In relation to legal partnerships, because they are regulated by the Legal Practitioners Law and not by the Trade and Business Licensing Law; and the fact that they are not companies as well. Again, equally the local companies—

[Inaudible Interjections]

Hon. G. Wayne Panton: The Trade and Business License and the LCCL do not apply so whether you are a general partnership or an LLP, whatever is relevant to the licensing regime for that particular type of business is going to continue to be relevant. This does not allow any kind of end around anything at all. This is just a new type of structure to opt from which a business can operate to conduct the type of business that is licensed in different ways. The accounting profession is licensed and regulated under the Trade and Business and now actually partly under the Accounting Law, as well, and the legal practices are regulated and licensed under the Legal Practitioners Law.

That does not change, so I am not sure that I understand — obviously, in a generic sense I understand when the fifth elected Member from George Town talks about unintended consequences. I understand what he means in a generic sense, but I do not quite know what he means in this particular context because I do not see that this changes the regime in relation to licensing of businesses at all.

[Inaudible interjection]

Hon. G. Wayne Panton: Yes, the Bill allows for existing businesses to effectively be re-registered as Limited Liability Partnerships. That is not much different from having a general partnership operating which you decide to incorporate into a company which has less flexibility perhaps than this Limited Liability structure that we are proposing here.

Equally, Madam Speaker, the question of Caymanian ownership is not a result of this particular structure. It is a question of the licensing regime. This structure in and of itself does not make any changes

in respect of that; it does not change the issue at all, so I do not think it should be directed towards this particular structure or this particular Bill in terms of that context.

[Inaudible Interjections]

Hon. G. Wayne Panton: Madam Speaker, in this context, I do think this Bill is very complimentary to the existing, to what we have done as a Government in the last four years, very much expanding and growing types of products that are useful and favourable to the Financial Services Industry. We have delivered a number. In fact, this piece probably makes one of the final if not the final significant agenda items that the Financial Services Legislative Committee has had as a part of their wish list for probably 7-10 years now and we are hopefully going to finally deliver this — to create a vehicle which improves the level of efficiency in which businesses can operate in this country.

However, it is not just local consumption. I have been assured that this particular type of structure is attractive in a number of different scenarios for international business so I would not believe, at all, that its use would be exclusive to the local professional services in the Islands but certainly it brings the jurisdiction as a whole into line with many other top class and first world jurisdictions, particularly, in relation to Financial Services where these types of vehicles are and have been in place for quite some time and have demonstrated that they are the preferred vehicle for professional services firms to utilise.

Madam Speaker, with that, I will say thanks to all honourable Members of this House for their contributions. I thank you for the opportunity to present this Bill and I commend it for passage.

Thank you.

The Speaker: The question is that the Limited Liability Partnership Bill, 2017 be given a second reading.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Limited Liability Partnership Bill, 2017 was given a second reading.

OLDER PERSONS BILL, 2017

The Speaker: I recognise the Honourable Minister responsible for Community Affairs.

[Inaudible Interjections]

The Speaker: Members, we are on item number nine.

Hon. Osbourne V. Bodden: Thank you, Madam Speaker.

Madam Speaker, I beg to move the second reading of a Bill for a Law to promote, protect and advance the wellbeing of older persons, to establish the council of older persons and for incidental, and connected purposes.

The Speaker: The Bill has been duly moved. Does the Honourable Minister wish to speak to this Bill?

Hon. Osbourne V. Bodden: Yes, thank you Madam Speaker.

Madam Speaker, the Older Persons Bill aims to ensure that older persons are able to freely access and participate in all aspects of society within the Cayman Islands as provided by the Bill of Rights, Freedoms and Responsibilities enshrined in the Cayman Islands Constitution Order 2009; and to advance equal opportunities for older persons to achieve independence, participation, care, self-fulfilment, and dignity as advocated by the United Nations Principles on the Rights of older persons.

The report of the legal subcommittee of the Cayman Islands Older Persons Policy Steering Committee 2016 was developed to support the policy. The report provided strategic guidance to promote the rights of older persons to access and participate in all aspects of society within the Cayman Islands. It recognised that there is no law which explicitly addresses the rights of older persons and, in the absence of a comprehensive piece of legislation, the rights of older persons remain vague and at a continued risk of infringement.

Therefore, the legal subcommittee was of the view that any proposed legislative reform with respect to older persons should take into account efforts aimed at respecting their dignity, ensuring fair and equitable treatment, and providing protection against any form of unfair discrimination. In approving the Cayman Islands' Older Persons Policy 2016-2035 on October 21st 2016, Cabinet proceeded to authorise drafting instructions of an Older Persons Bill and over the past three months, the draft Older Persons Bill, 2017 was developed and submitted to Cabinet for approval. Approval was granted by Cabinet on January 31, 2017.

This piece of Legislation is primarily for, or for the benefit of, older persons and those persons who have been entrusted with responsibilities under the Bill. In particular, public servants will work towards ensuring that older persons are cared for and that their rights are protected. The Bill, therefore, speaks to the creation of a council for older persons whose key purpose and aim will be to act as a coordinating body between Government entities, other service providers, and older persons. The council will advise on the entire gamut of issues related to the welfare of older persons, advocate for the enhancing of the qual-

ity of lives of older persons, and advocate for the promotion and development of programmes, projects, and legislative measures to improve the quality of life of older persons in the Cayman Islands. Regulations will be made to facilitate the introduction of a voluntary Older Persons Registry and the council will assist with ensuring that any relevant and necessary supplemental registration is enacted, or current legislation is revised, to give full effect to the aim and purpose of the Bill.

Madam Speaker, there are five parts to this Bill. Part 1 sets out the preliminary provisions and is comprised of two clauses. Clauses one and two provide the short title and commencement of the draft legislation with the definition of various words used in the context of the legislation. Part 2 contains clauses 3-9 and speaks to the establishment of the council for older persons setting out the council's constitution and procedure.

The Bill advocates for the council to be an independent body and will comprise equal representations of older persons, professional stakeholders and experts from the public and private sectors; therefore, clause 3 seeks to establish the council and a supporting executive secretary and sets out the council's constitution and procedure. The membership of the council for older persons will be appointed by Cabinet for a term of not less than four years and serving members will be eligible for reappointment for a further four-year term. The council will be comprised of:

- One older person representative from each district across the Cayman Islands;
- Two members from the private sector or persons who are affiliated with a non-governmental advocacy, or service organisation that works for the rights of older persons — one being a doctor specialising in Geriatrics or familiar with medical issues relevant to older persons; and the other being an attorney-at-law;
- One representative from the department responsible for the subject of older persons, preferably a social worker with a minimum experience of five years in managing socio-economic aspects of older persons in the Cayman Islands;
- One representative from the Ministry responsible for Community Affairs
- One representative from the Ministry responsible for Health
- One representative from the Ministry responsible for each or all of the following: Education, Employment, and Gender Affairs; and
- One executive secretary to be appointed from within the Cabinet's Office.

The total membership will be comprised of at least 13 members and the council will meet a mini-

mum of 12 times per calendar year but also meet more often if necessary.

Madam Speaker, clause 4 speaks to the functions and powers of the council. The council will be chaired by an older person and the listed public entities will have assigned responsibilities for the development and delivery of services to older persons once formed.

The council shall:

- take steps towards ensuring the promotion, implementation, monitoring and evaluation of the Cayman Islands Older Persons Policy;
- serve as a referral facility to provide information and services and resources for older persons;
- promote participation involvement and social inclusion of older persons;
- promote a skills bank of older persons;
- advocate and monitor the level of public education on the changing needs of older persons within the community;
- maintain a voluntary registry of older persons; and
- refer matters or incidents regarding violation of rights of older persons to relevant authorities.

Clauses 5 and 6 set out the duties of the Chair, Deputy Chair, and Executive Secretary of the Council. Clauses 7, 8, and 9 deal with the remuneration of members who are not public servants and make provisions for the immunity and indemnity of the Council along with the executive secretary who is not treated as a member of the council.

Madam Speaker, Part 3 and clauses 10, and 11 deal with the voluntary Older Persons Register. A confidential register with the particulars of older persons will be maintained by the council and older persons will be given the opportunity to voluntarily have their personal information included in the register.

Part 4 and clauses 12-17 of the Bill make general provision for the rights of older persons and make provision in respect of specific benefits to which older persons are entitled on an equal basis with other persons. Part 5 contains clauses 18-20 and empowers Cabinet to make regulations to give effect to the Legislation; clause 20 binds the Crown.

Madam Speaker, I take this time to extend special appreciation to Ms. Bethea Christian, Legislative Council of the Legislative Drafting for the drafting of the Older Persons Bill and the following Members for developing the Legal Sub-committee Report: Mrs. Deborah Webb-Sibbles, Chair Person of the Legal sub-committee of the Cayman Islands Older Persons Policy Steering Committee; Mrs. Stephanie Azan, Deputy Chairperson of the Cayman Islands Legal sub-committee of the Cayman Islands Older Persons Policy Steering Committee; Mrs. Cassandra Fearon, Secretary to the Legal sub-committee of the Cayman Is-

lands' Older Persons Steering Committee; Ms. Anne-marie Rambarran, Crown Council; Mrs. Annie Multon, Older Persons and representative of the Business and Professional Women's Club, Mrs. Rosie Whittaker-Myles, local attorney-at-law; Mr. Roland Ebanks, older person; Mrs. Jasmine Powell, social worker, Department of Children and Family Services; Mr. Robert Lewis, Director policy coordination Unit; and Ms. Haylie Robinson, student intern assigned to the policy co-ordination unit.

Madam Speaker, I now seek the approval of this honourable House in passing the Older Persons Bill, 2017. The approval of this Bill will advance the equal opportunity for older persons to freely access and participate in all aspects of society within the Cayman Islands, and highlight their right to independence, participation, care, self-fulfilment, and dignity.

Madam Speaker, I thank you, and look forward to the full support of this honourable House.

The Speaker: Does any other Member wish to speak? I recognise the Honourable Member for North Side.

Mr. D. Ezzard Miller: Thank you, Madam Speaker.

I wish to make a short contribution to the Bill for a law to promote, protect, and advance the well-being of older persons; to establish the council of older persons; and for incidental and connected purposes.

I notice that the definition of older persons is **"...over the age of sixty-five years, except where the Law provides for a person who is less than sixty years to be treated as an "older person" for the purpose of receiving a pension"**. Are we suggesting that people who may be retired for medical reasons and receiving pensions will be treated as older persons?

I guess the greatest concern that I have with the Bill is the makeup of the council of older persons. I am not sure in the Schedule where it says- **members who are older persons of varying ages and representative of each district in the Cayman Islands**.

Are we talking geographic districts or political districts? I think we need to make it clear because that significantly changes the number of persons in the council—

[Inaudible Interjections]

Mr. D. Ezzard Miller: If we are talking of geographical districts it is six; when you look then at the makeup of the council, we can in fact have equal numbers on the Board as Ex Officio Members because when you can appoint one from each ministry, following education, employment, and gender affairs, that is three, and then there is five.

I really do not see the point of having all these Ex Officio Members on the council because I would

hope— when you look at the functions of the council, if the council is going to be an advocate for older persons as opposed to what the Minister said, a coordinated body between older persons and the provisions provided by Government, I think it is two entirely different things.

If it is going to be a coordinating body, then you can see the importance of having these people on the Board. If it is going to be an advocacy group for older persons, which is what I support because I think that older persons need to have such a council to advocate on their behalf, particularly to Government, that it is not addressing the needs of older persons, then I think we have too many official members because the people who are here as Ex Officio members are the exact people that the council would need to advocate to, to represent the older persons to get the services the older person needs.

I would think that would put the ordinary members of the council in the awkward position of having to advocate i.e. criticise the lack thereof or advocate to promote for services thereof that the Government Department has not thought of with the heads of the persons [sic] that they need to criticise sitting on the board with them; and how does the council adequately monitor and ensure that senior citizens are getting the services from these people, if there are equal numbers of them on the board.

With those few concerns, Madam Speaker, I support the Bill; but I would like to see that the council is an advocacy group and does not have all those civil servants on it — which is going to be very intimidating for people over 65 in the community. That is just a fact.

[Inaudible Interjections]

Mr. D. Ezzard Miller: The Chairman is bound by the committee, but if you are going to take the Chairman out from those and put him as one of the older persons, then they are outnumbered because it would be eight against seven. Thus, Madam Speaker, I think we need to look at the makeup of the council and more clearly define what the role of the council is intended to be.

Thank you.

The Speaker: I recognise the Honourable Leader of the Opposition.

Hon. W. McKeeva Bush, Leader of Opposition: Thank you, Madam Speaker.

I just want to say very briefly that we support this Bill. I hope it would be an advocate for Government to act, but also for the council to look at the wider need of our senior citizens.

Madam Speaker, our seniors and [it has] been repeated over and over in this Assembly, are the people who made this country what it is. Many have al-

ready gone, but have left a good footprint for us. I certainly believe that having this Law as an advocate says to the country that this legislature appreciated and appreciates in this modern times for the seniors, here we can pay much more attention to their needs, to how they are being treated.

Madam Speaker, I have no problem with the makeup of the council. I do believe that the areas which are designated to be represented from the public servant point of view are very important for the council. We have a social worker, one representative from the Ministry of Community Affairs, one representative from the Ministry for Health, Education, Employment, and Gender. These are very important areas, all having to do with the work that Government does to impact and they would be knowledgeable about the work of Government because of where they are placed; because of the ministry they come from they would understand wider needs and wider impacts on the older person, so

I really have no problem with the Bill. I thank the Minister and the staff for bringing it together; all I would say is I do not know when they would appoint this council but I would hope they would be careful with who is being appointed from the districts I am talking about; as far as persons representing each district.

[Pause]

Hon. W. McKeeva Bush, Leader of Opposition: I am not saying that they must come to me as a representative or one of the representatives, but I certainly would hope that if they do not do that, they would have persons on the council who [are] knowledgeable and capable of dealing with our senior citizens. Getting to that age and living in a modern Cayman as they do, getting over age 80, sometimes the stress on them is severe, I notice. I just lost my mother at age 92 and my aunt at 102. We are not living in the Cayman—

[Inaudible Interjections]

Hon. W. McKeeva Bush, Leader of Opposition: My great grandfather lived until he was 109.

As I said, I just hope the persons who are appointed from the districts, and I trust the Minister and the Chief Officer are listening, that they will make sure that these persons are knowledgeable. They are quite capable, they have patience, and they are not going to be dealing out right because that is the work of the various departments; but ensure they get people going to that council who understand and have had connections and have the ability to be the advocate that is needed.

I have spoken long enough. I again want to thank the Minister and the staff and, of course, the committee they had, for the Bill.

The Speaker: Does any other Member wish to speak? The sixth elected Member for the district of George Town followed by the Member for East End.

Mr. Joseph X. Hew, Sixth Elected Member for George Town: Thank you, Madam Speaker.

Madam Speaker, I rise to make brief comments on this Bill for a law to promote, protect and advance the wellbeing of older persons; to establish the council of older persons and for incidental and connected purposes.

Madam Speaker, those over the age of 60 are expected to reach an unprecedented number of 1 billion by the end of the century world-wide. Here in Cayman, according to the Economics and Statistics Office (ESO) census, there were 3,792 persons over the age of 65 in 2014 and 4,040 persons in 2015, so we see the increase here as well representing just over 6.7 per cent of our population in 2015. This Bill aims to ensure that older persons within our community have access to all aspects of our society. That they have equal opportunity to achieve and be a part of an independent life; that they have care, that they are afforded a full opportunity to maintain their dignity and have self-fulfilment.

Madam Speaker, it is important as a country that the rights of our older persons be protected—protected from discrimination. To have security and have their private and family lives protected. They should have full access to justice. An older person should be free to fully participate in political and public life should they so please, to participate as a candidate in an election or simply all opportunity to cast a vote.

Madam Speaker, I look forward to the formation of the council as they have, [in] my opinion, much work to do in many areas and opportunities to enhance the lives of our elderly. Looking at such opportunities as for our elderly to remain in their homes as long as possible. Perhaps looking at ideas like reverse mortgages so they can enjoy the rest of their time not worrying about whether it is bank loans or electricity bills, but to actually take the assets they have and be able to borrow the money in advance of their passing, so they can live their final years not stressing about it. Perhaps the council will have an opportunity to look at other means of housing and housing opportunities for the elderly.

Health care is another issue we see as representatives on a day-to-day basis. Insurance; I do not understand why after someone over the age of 65 has proven that they cannot afford health insurance coverage locally, they go through the assessment and they are just given three months. By the time they get an appointment with the doctor, Madam Speaker, the three months have expired, and they have to go through the entire process again. I hope the council will find some way to ensure that this is not another added stress.

I just dealt with a constituent this week—and I thank the Councillor and the Ministry for helping out—who has major health issues but does not have any insurance. He is stressed out about the HSA [Health Services Authority] calling him for the bills he already has, so he decided to forego the medical care to avoid additional costs and has not gone back for the remainder of his treatment.

Madam Speaker, we should ensure the council will have the duty to ensure there is a proper plan in place so that in case of a national emergency, whether it [is] an earthquake or any other form of emergency, our elderly have immediate aid and are a priority. We also want to consider allowing our elderly to have the right to work — providing incentives to hire the elderly. I know this is done in many cities across the States as I have family who live in the States and retired and were given jobs as [a] trolley driver, etcetera, whereby the companies are incentivised to hire them. Reduce red tape and perhaps look at ways that we can make hiring retirees attractive to local businesses.

I also believe that our elderly should be given an opportunity for education. Just because they have reached the retirement age or they have reached 65 should not mean that they should not be given the full right to develop their full potential. It is now that they have the time and we as a country should give them the ability to continue their education and to see their full potential as we all know some of our retirees are still quite sprightly and willing and able to participate.

Madam Speaker, our prisoners are given three hot meals a day, exercise, health care, and a roof over their heads. Our elderly at a minimum deserve the same, and so I close by congratulating the Minister and all those who worked in the committees to bring this Bill to this honourable House and I offer it my full support.

Thank you.

The Speaker: Member for East End.

Mr. V. Arden McLean: Thank you, Madam Speaker.

I rise to make a contribution to the Bill to protect and advance the wellbeing of older persons. I do not mean to throw a wrench in the gears, but I do not think this has gone far enough. I hear the sixth elected Member saying things like hiring and the likes.

Madam Speaker, I see the establishment of a Council, but it is to advocate. What about things like ensuring that Government—

[Inaudible interjection]

Mr. V. Arden McLean: It needs to be a law. We have [retired] police officers, and then we hire security companies to watch over the doors at the Glass House. That is the kind of stuff we need to ensure that the Government must set examples with. That is the

kind of stuff that we need to do that with, and I would ask the Minister to get those things in this Law because they are not here. It is all well and good to say we are going to do it but the Council has nothing to do except the Chairperson is going to chair the meeting apprising the council of matters raised by stakeholders and the likes. Who are they going to give it to? They are going to advocate for older persons but there is nothing in the law saying, for instance, that retirees must have first preference if they are physically and mentally able to do the job.

Madam Speaker, there are many places around our neighbourhoods that give older persons discounts; like the Government will waive all import duties for older persons over the age of 60. That is the kind of stuff I want to see, not saying that the council is going to advocate — what are they going to advocate for? It says **the Council shall, in carrying out its functions, adapt a consultative approach in relation to the community of older persons and other critical stakeholders** so they are to consult, but what then?

I want to see more; and the Minister may have it, but it reminds me of the disability [Bill]: no teeth. They have no value and no resources to do anything. Who are they going to advocate to? The Government, when the Government itself has not even committed to hiring older persons and giving them preference like I said earlier about the police officers?

We got people in the Government Administrative Building that [are] not even Caymanians. In the meantime, we put the Caymanians who are retired out to pasture, and they are physically and mentally capable of taking a visitor up to the Premier's office wherein the Premier will know both of them. Now he is in the situation where someone from Timbuctoo or right around the corner in India or Nepal, or wherever, takes his guests upstairs whom he knows, but he does not know who is bringing his guests. That is why we have to use our people and if the Government does not step up to the plate and do that, it is a waste.

Yes, I agree with the sixth elected Member for George Town. There is value in our old people. I am not saying that when they reach retirement age we keep them on and pressure them. For instance, pensions became a reality in 1997 or thereabouts. Retirees nowadays could not stop a peanut waggon if their mother was driving it; they cannot. Especially those at the lower end of that salary scale, and they are very capable of understanding, importantly, that Arden McLean is an MLA, because they were a part of that political process; Joey Hew from George Town is an MLA; and who the Premier is so [if] one of us has an appointment to see the Premier they are very capable of knowing, *Arden come, let's go, let's go; the Premier is waiting on you*. I never get anybody who calls me by my first name at the Administration Building.

As a matter of fact, Madam Speaker, when we go there to get through the gate (through which we do

not have access), in many instances, they turn us around. That is why I do not go there. I go by Immigration and I walk across; a little exercise for me. When I did go there on the rotunda, they slapped one big sticker on my glass saying I could not park there, which is fine, I do not have a problem with that. I do not expect any special privileges, but at the very least they should know who I am, or who any Member of this Parliament is. If we had a retired Caymanian I bet you they would know every one of us because they went into those booths and they know who we are. That is what I am talking about. That is where I want to see this.

Get rid of the security officers and hire retirees! If Government does not make the first move, take the initiative, and Madam Speaker, I am speaking now as the operation of government, hopefully directed by the political directorate. That is the kind of stuff that makes us feel at home. The Caymanians are interested in Parliament when the Speaker goes there for an appointment with the Governor or the Premier and she is escorted by another Caymanian. I know we probably do not have sufficient, but it does not take somebody from Timbuctoo to be in charge of the security for the Political Directorate or the Official Members for that matter.

That is where I part with some of the things we do and I want to see us do more of the sixth elected Member for George Town's thing. Place value on them; it encourages them. They can sit in the air conditioning up there and live longer too. I hear the Leader of the Opposition say his great grandfather lived to be 109; they can wear out 109 up there too, you know? Everybody else is wearing it out.

That is where I want to see the teeth in this. That we legislate that Government must give them preference upon retirement to go into jobs that are not physically demanding — and I applaud the gallant efforts by the Minister for Community Affairs and all his staff. I think it is commendable that we at least try to get something in place, but I want to see it go further. Do not be afraid; they are our people and if we make them work as, I do not know, security or errand people to go and collect stuff, then they would not be a liability to the Government. They will be providing a service for us as people. That is what I want. I do not want to see us—

Suspension of Standing Order 10(2)

The Speaker: Honourable Member for East End. We have reached the hour of interruption.

I will recognise the Honourable Premier.

Hon. Alden McLaughlin, Premier, Minister of Home Affairs, Health & Culture: Thank you, Madam Speaker.

Madam Speaker, I beg to move the suspension of Standing Order 10(2) in order that the busi-

ness of the House may continue beyond the hour of interruption.

The Speaker: The question is that Standing Order 10(2) be suspended to allow the House to continue beyond the hour of interruption.

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

AYES.

The Speaker: The Ayes have it.

Agreed: Standing Order 10(2) suspended.

The Speaker: Please continue, Member for East End.

Mr. V. Arden McLean: Madam Speaker, there are a couple of other things I would like to address, and ask the Minister to take note thereof.

Madam Speaker, the appointment of civil servants as an executive secretary of the Council without a vote, that is 6, and then we come back to a few days ago, and I spoke to my good friend, the Minister for Finance, and we give them indemnity to carry out their civil service work. Really? Indemnity of what?

Madam speaker, 9 says **The government shall indemnify a member of the Council and the Executive Secretary against all claims, damages...** For what? What kind of claims, what kind of damages could come from advising? They are not handling money. They do not have any pecuniary interest— are we afraid they advise us poorly on our people, or will drive them around in a truck or a van? I do not know. Why do we have to indemnify someone who is advising us, and the Attorney General might be able to tell us, but I do not see anything here requiring indemnification. I do not, so the Minister may want to look at that.

Then we look at the register. What is the purpose of the register? I am stumped with that one, Madam Speaker. Register for what, so we can know who the old people are? We all know that. From that register is there some degree of recognition, they get something from it, what? If you are only going to register it, it is voluntary, albeit, but why would we want...

The first rule of thumb in Management 101: Do not collect information you cannot use or have any need for. What are we going to do, put a register of older persons there? The sixth elected Member for George Town told us how many older persons we have in this country by year. What do you need to know my name for? Because I am over 65 you need to know my name?

[Inaudible Interjections]

Mr. V. Arden McLean: I understand it is voluntary, Madam Speaker, but what is the purpose of it?

[Inaudible Interjections]

Mr. V. Arden McLean: For information? What do you need information for?

[Inaudible Interjections]

Mr. V. Arden McLean: Wow. Anyway, let that be where it is at. I see the successive areas put in this Bill that are already represented elsewhere like the right to vote. What is the age limit on that? There is no age limit. The only problem you have with voting is whether or not you have been adjudged insane. You do not need to repeat it here—

[Inaudible Interjections]

Mr. V. Arden McLean: Well, if you are not physically able, provisions are made for that; mobile voting. Some of us will soon not be physically nor mentally able to go out and vote as stress takes us down; but I do not understand the need for it, Madam Speaker, I really do not and I may be wrong, and there may be some simple explanation for all these things to be put in the Bill— and the make-up of the Council.

1. (1) **The council shall consist of the following members, each of whom shall be appointed by the Cabinet-**
 - a) **members who are older persons of varying ages and representatives of each district in the Cayman Islands;**

Really? How many? We know that we have 19 electoral districts and six geographical districts. I do not know if it is a little oversight that it should be six, one from each district or two. I thought I heard the Minister say two. I do not know whether he put a number on it.

[Inaudible Interjections]

Mr. V. Arden McLean: One older person. Well, I think we should stipulate it here: one person.

[Inaudible Interjections]

Mr. Arden McLean: No, it says of varying ages.

[Inaudible Interjections]

Mr. V. Arden McLean: Madam Speaker, I do not mean to be disruptive or critical, or come across as not wanting this, but I want to see more. That is basically it. I want to see more done, more teeth, because if you register I do not know the benefit of it. There is none. Despite it being voluntary, what is the benefit of an older person being registered with the government, when 99.999 per cent of them are already registered

over at CINICO [Cayman Islands National Insurance Company] health insurance, pension, I do not know, one of those different departments where they could be registered. The voters' list. The ESO [Economics and Statistics Office] has a register, albeit numerical, of older persons, but we can pick them up. We do not need to ask them to come in and register; we know everybody from the different areas.

If it is, say, to send out circulars to them, invite them to things on a regular basis, I do not know. Are we going to have an organisation of older persons whereby they meet once every six months? I do not know. I do not know the purpose of it. Maybe someone can tell us that. Certainly it would be a good idea, if that is the objective, but somebody needs to say what it is because we do not see much of it; and Madam Speaker, a little more teeth. A little more teeth, a little more commitment.

Definitive commitment to older persons. Clear cut, government will give every priority to hiring older persons, government will waive all the import duties and all services will be reduced by 15-20 per cent. That is the kind of stuff that we need to put in there for older persons, and then encourage the private sector to extend discounts to the older persons. That is the kind of stuff I want to see the council responsible for.

Government can only do what the government has control over, and that is waiving import duty, commitment to hire once you have any job that is less physically demanding. That is the kind of stuff I want to see in this kind of legislation, and it will lead the way for the private sector. Madam Speaker, you legislate and it becomes a way of life and people follow you know? Courage is contagious. Trust me, when the Government courageously goes and gives all these things the private sector is going to follow suit. That is the kind of stuff I want to see because there are only 4,000 older persons in the country; 6/7 per cent, I believe he said, when he quoted 2014 and 2015.

[Inaudible Interjections]

Mr. V. Arden McLean: That is a drop in the bucket, Madam Speaker. You are going to tell me we cannot look at our old people better? We know about the pension; we talked about that. What it means. They cannot afford to live in this period of this country's history. I know the Minister for Finance would have to go back and crunch his numbers, but how many of them are going to get duty exemption? Yes, I know we give the little assistance, but when they go to the shop we encourage the private sector to give a little 10 per cent off to anyone over 65.

[Inaudible Interjections]

Mr. V. Arden McLean: No worries, Madam Speaker, I hear the Minister of Finance over there me about how

I must stop campaigning. One of these days I am going to witness him walking down the street with much more hair than he has on his head now, but greyer.

[Inaudible Interjections]

Mr. V. Arden McLean: Those are my concerns. If the Minister can address some of them, if he is going to address those areas later I understand, but we need to pick up some of those things and there may be others that I did not speak of.

Thank you.

The Speaker: Does any other Member wish to speak?

The first elected Member for Bodden Town.

Hon Anthony Eden, Deputy Speaker: Thank you, Madam Speaker.

I guess I better declare interest.

[Laughter]

Hon Anthony Eden, Deputy Speaker: Madam Speaker, I rise to offer my support to this very timely Bill.

I want to offer congratulations to the Minister for bringing it forward and the observations they have made, and to comment on the definition of access to services — **includes the affordability, physical accessibility and the maintenance of an acceptable standard of services provided to older persons and not merely adequacy of supply**".

The sixth elected Member for George Town touched on what I think is a very important area; my colleagues for North Side and East End with regard to the health care, and 12(1), access to rights of older persons, refers to benefits and treatments as provided in this law. These benefits would certainly extend into these areas. Social inclusion is another definition referring to their basic needs, making sure their basic needs are met so they can live in dignity.

Madam Speaker, something I and most of us who grew around the elderly have noticed is the problem of loneliness. I do not know how we can bridge some of these gaps. The Minister and I have talked about this a number of times that, yes, they need certain help but just company, whereby someone goes and visits them and spends some time with them. There is an elderly lady in our district who my other colleague for Bodden Town and I have been working with for about six months or more.

What I am referring to, Madam Speaker, is a conduit from what is now in legislation to deal with these elderly, to get them into the agencies like NAU [Needs Assessment Unit] or whatever else is going to help them be looked at and can be put in a more structured manner.

Once again, I want to thank the Minister for bringing this very important piece of legislation. We finally got something we have been waiting for a long time.

Thank you.

The Speaker: Does any other Member wish to speak?

The fourth elected Member for Bodden Town.

Mr. Alva H. Suckoo: Thank you, Madam Speaker. I will be brief as well.

I rise to give my support to the Minister for bringing this Bill. In the time I spent as his Councillor, I know it was something he had been working on and it was an important initiative for his Ministry, so I am pleased to see it has come forward. I take note of the concerns raised in particular by the Member for East End along the lines of having the law advocate more for elderly persons. I know a number of retired persons and I will beg forgiveness when I say this, but my mother is among them. She does not like to be referred to as elderly, but she falls into that category and I know through my experience with her, that though she is retired, she likes to be kept busy and wants to keep feeling productive.

I think that goes across the board for all elderly people whereby they do not want to see efforts like these as diminishing their importance in society, and they want to see some real opportunities come forward including what the sixth elected Member for George Town has said. I really do want to see us advocate a bit more and provide for more, and I know the Minister has suggested that there is more to come, so I definitely would support that.

The only question I really had was the purpose of the register. Effectively, what would it accomplish by registering persons as elderly? I am sure the Minister will touch on that when he winds up, but just to congratulate the Minister and thank him. I know our seniors are valuable members of our society and we have to do all we can to ensure that their lives continue to be productive and that they have a good quality of life. I see this as an important step in achieving that, so I thank the Minister.

The Speaker: I recognise the fifth elected Member for George Town.

Mr. Winston C. Connolly: Thank you, Madam Speaker.

I also rise to support the Minister in bringing this Bill forward perhaps selfishly, because I am feeling a bit older these days and that at some point in time, without the tongue in cheek, I would hope some of the clauses in here would apply—

[Inaudible Interjections]

Mr. Winston C. Connolly: Seriously, Madam Speaker, we owe the older generation much gratitude and respect and things that discriminate against them, their ability to be productive members of society, their ability to pass on their knowledge; we need to protect and preserve as long as possible. Some of my fondest and probably most instructive memories were with my grandfather; sitting on his front porch and realising that as much as I thought I was travelled, as much as I thought I had lived life, I paled in comparison.

Our older persons should never be just put aside at some arbitrary time when we think they have reached a certain age that they are out to pasture because the one thing that I realise is that Caymanian pride goes far and long in life. Sometimes these older persons will feed off how we treat them, and if we treat them with respect and dignity I think that gives them a pep in their step for much longer.

Madam Speaker, in terms of some things we could do for our older people, when I was doing a bit of research on what to say about this Bill, it is time that we looked at some of the jobs in the public sector, in the Glass House and other places, where people can be greeters and receptionists and sit behind a desk and keep that interaction going. Many times that too is very important for older persons. They want to be around people; they like interaction.

I also think it is time that we look at a seniors' discount programme across the board. This may not be government, but I am sure it could be government-led whereby we recognise that many times older persons are on fixed incomes and sometimes making ends meet requires the family members contributing because their pensions are not as healthy as we wish they would be, especially given the time they started [contributing] before they retired. I think it is one way we could respect our elders to recognise that sometimes they are in vulnerable financial positions and anything that we can do as a country — perhaps adapt some sort of reduced fees, be it insurance or other things, would go a long way.

Madam Speaker, I am sure that the team the Minister has behind him along with the Chief Officer and her staff will look at trying to enhance this along the way. I think it is a good first step and I applaud the intent in which the Government has brought it. I think they all should be commended in terms of ensuring that it gets done before their administration is over because these are some of the more important and probably more wide-reaching ones and are our own.

Madam Speaker, with those few words I thank the Minister and his team and the entire Government for seeing fit to bring this before the administration is over.

Thank you.

The Speaker: Does any other Member wish to speak?

The second elected Member for George Town.

Mr. Roy M. McTaggart: Thank you, Madam Speaker.

Thank you for the opportunity to make a short contribution to the debate on this important piece of legislation which I fully support as I believe it is a very timely Bill.

Madam Speaker, I have to say that when the Minister first brought the matter to caucus I did not have the enthusiasm that I probably do today. What a difference time makes, because I now find myself in the position of having an older parent who is in failing health and in need of services and find myself grappling to find information and dealing with the issues surrounding an ageing parent so I have truly come to appreciate very deeply the need for legislation like this.

Madam Speaker, the care for the elderly and addressing their needs will continue to grow, not just in this country but the world over. It is no secret we have an aging population. My colleague next to me, the sixth elected Member for George Town, gave some figures for 2014/2015 and we saw that approximately 6/7 per cent of the population are considered to be older persons, but what resonated with me when I put my numbers hat on, is that when you look at 2014 and 2015, the number increased by 6.5 per cent.

That is more than 3 times the growth in the overall population of the Cayman Islands during that period. I think it is much more than that, and it is scary when you think that you get that kind of growth in a certain demographic segment of your population. That tells me that the issues and the challenges of caring for the aged are going to increase and the demands for services not just upon the Government, but on the private sector as well, will continue to grow. I think the demands are going to be much larger, no questions in my mind.

When I looked at what this Bill seeks to accomplish and what this council is to do, if it accomplishes two things it would have more than justified its presence and its existence.

First off, it is to serve as a referral facility to provide information on services and resources for older persons; that alone would be a Godsend because what I find is that although there are many public and private services available, gaining access to and understanding what those resources are and how to access them is truly a challenge in this community. It is not readily available; you have to do some serious searching, asking, and probing to find it out. I have to say I am very fortunate in my position because quite often I am able to get such information, in terms of services available through Government very quickly from others who look for and seek assistance. For the ordinary person on the street it is not easy to find those resources and how to access them, so I think it

is extremely important for this Council to tackle right away in terms of a central repository of information.

Finally, advocating on behalf of the aged and the elderly. They need someone looking out for them and I think in making decisions quite often we tend to overlook or not give them the consideration they deserve, and I think it is a big part of the potential success for this council in advocating for older persons.

I like the makeup of the Council too, because having a doctor, a lawyer, people from the Health Ministry, the Ministry of Education, and Community Affairs — these are the types of services, Ministries, and service providers older folks would need the most access to in terms of someone advocating for them; or access to the types of services offered by these Ministries and by the private sector. In my mind, it strikes the right balance and it is the right composition to be most successful in achieving the aims, goals, and aspirations of the Older Persons Policy and the intent of the Bill.

I therefore fully support the Bill before us, and congratulate the Minister on bringing it forward. I also want to congratulate the Ministry for their diligence in getting it completed and getting us to this point where we can approve it and have it passed into law by this Parliament.

Thank you, Madam Speaker.

The Speaker: I recognise the Honourable Minister responsible for Finance.

Hon. Marco S. Archer, Minister of Finance & Economic Development: Thank you, Madam Speaker.

Madam Speaker, I too rise to give my support to the Bill. Being the last person to speak, of course, just about everything has been said, but I too agree with what has been said with respect to the employment of older persons.

On the campaign trail, I noticed many persons who had retired and were looking for something to do. Some of them were just bored [and] some needed the income. I think it is something all elected Members seem to agree on; therefore, we ought to put our heads together and see whether we can find some way of providing a comprehensive range of benefits for the older persons.

As with everything where there is a benefit, you have to be extremely careful because there are those who would abuse or encourage people to abuse, so I would agree that we need to do so but with caution. I am also being reminded there is a cost attached to it so we would have to sit down as a group of responsible, mature men and women and determine how best to provide these benefits to the elderly and see what impact it may have on other services that are being provided.

With respect to seeing friendly, familiar faces in the Government Administration Building, it is a complaint I get frequently from people who come to

visit me; they sometimes remark that they feel as though they are not trusted, and they should not feel thus when they are coming to see their representatives whom they trust, so perhaps, yes, that would be one place to start, one place to see the improvement.

The Bill also provides for the functions of the Council and of the five that are listed there, the sixth elected Member for the district of George Town referred to the first one: **“to serve as a referral facility to provide information on services and resources for older persons”**; but the one I think would also be extremely helpful, especially for myself when I am trying to do my job in finding employment for older people, is to promote a skills bank for older persons. If we have a central depository of skills and abilities for older persons, it becomes a convenient place to look when trying to place those persons in employment.

I frequently get representation from older persons who are looking for work; some of them were in the construction field and will tell you, *“I am still very skilful at what I do. I cannot work as fast as the 20-year old, but the 20-year old is not as skilful as I am,”* they have often said to me. There are ladies who were in offices and are quite competent at using computers, have excellent customer service relation skills and they are just looking for something to occupy themselves, to give themselves some sense of purpose and not sit at home and watch the four corners of the walls all day long.

I thank the Minister for bringing this Bill. I do agree that it is timely and I am sincere when I say that it would be great if we would put our heads together and see how we can identify ways in which we can make life better for the older Caymanians who, not that they are forgotten, but the pace of life and society changes rapidly. Therefore, we have to continue to try to find ways to reintegrate them into the happenings of each day.

For that reason, I say to the Minister: a job well done. To his Ministry, also a job well done.

Thank you.

The Speaker: I recognise the Honourable Deputy Premier.

Hon. Moses Kirkconnell, Deputy Premier, Minister of District Administration, Tourism & Transport: Thank you, Madam Speaker.

Madam Speaker, I too would like to rise to make a short contribution on a Bill for a Law to promote, protect, and advance the wellbeing of older persons; to establish the council for the older persons, and for incidental and connected purposes. Before I make my remarks, I certainly want to congratulate the Minister. I have seen him work on this for months now and I know how important it was for his vision and one of the things that he wanted to accomplish, so kudos, hats off to the Minister.

Madam Speaker, we say we nurture our youth and give dignity to our elderly. I would say this on behalf of your good self; I am going to be bold enough to do that and myself. We see the elderly, especially at the rest home in Cayman Brac, and are very grateful for the caretakers there and certainly—I am going to call her name—for Ms. Annie Rose Scott who puts on the elderly parties and ensures there is a vibrant feeling and chance for the elderly to get together.

I think what is so important in this Bill is that as we look at the elderly and think about whether they are really being protected, we look and see access to services. Now there is going to be some place where we will actually see the Law and know that they are protected in that way, that the accessibility will be made available for them. The care that we see will be in one place where we know the physical, psychological, and social needs will be addressed.

Often times we think about the confidentiality of the elderly who are vulnerable when we visit them, whether they are at home or in a rest home or in the hospital and this addresses that, a means to keep private and entrusted matters. Discrimination, treatment of consideration, making a distinction of favour of or against the person based on a group will be dealt with here.

Madam Speaker, it goes on to talk about social inclusion and the dignity that they deserve in a life well spent of what they have contributed and done for this country. I am very happy about one of the programmes that the Premier announced in his last State of the Union Address and it was spearheaded by the Deputy Governor. This is our tourism awareness of some of the elderly who are working at the airport now and some of the initiatives that were talked about earlier. It is an initiative that is taking place whereby the idea was for elderly ambassadors to be there and available and as people arrive on a plane they meet them and they take them through. Of course, all of us being good Caymanians, the first thing we want to know is where you from and how long you goin' be here? This is the type of experience they need that we are providing for them, and I am very pleased to be able to mention that today. I know it is important for the Minister as well.

Madam Speaker, it is initiatives like this that have lasting meaning to our elderly and give us comfort of the protection this will provide so, again, with these short remarks I want to congratulate the Minister and his staff and all the people who worked on this and say it will have my full support.

Thank you.

The Speaker: Does any other Member wish to speak? I recognise the Honourable Minister responsible for Planning.

Hon. D. Kurt Tibbetts, Minister of Planning, Lands, Agriculture, Housing, & Infrastructure: Thank you, Madam Speaker.

Madam Speaker, I had the privilege of acting for the Honourable Minister as he was away on official business when this initiative got off the ground. There was a gathering at the Family Life Centre and many of the older folks were there at the time and certainly there were many enthusiastic individuals there.

It is obvious by the timing of this legislation that the whole impetus here is for the committee to be appointed by way of the legislation for the work to continue because as I understood it then, and I do not think anything has changed, this is a 20-year plan. It is not something that is going to happen in one fell swoop, and I am sure the Minister will expound on that.

I just want to say that from my personal experiences some of the most cherished individuals to me in this world today are the older folks. I have said this before but I want to say it again because it rings true to me every day in my life. [Was] I to be errant at this stage of my life, just knowing so many of them and knowing what they think of me prevents me from doing anything that is untoward and that in itself I consider the best safeguard in the world besides the big man upstairs.

Madam Speaker, I do not know who else cherishes that but nobody can buy that, no one. These people are important in our lives in every respect. Some of us are lucky to have both our parents still. For some of us, both parents have gone on; some of us have one parent left but, regardless of what they may not be able to do today that they were able to do 10 or 15 or 20 years ago, I dare say their existence alone, with all the memories we share, is enough to ensure that not only as a Legislature but as a nation, we do everything we possibly can for them to spend the rest of their days in dignity — and for those who want to remain active, to find the avenues through which they can remain active.

Let me commend the Minister and all of his Ministry staff and all the individuals and private citizens who participated in the district meetings and who brought forward ideas of their own to help drive this process to where it is. It is pleasing to hear all those who have spoken outside of their observations ensuring or agreeing that everyone is in support of it, notwithstanding any ideas which they may want to add to the pot. Certainly, I commend the Bill.

The Speaker: Does any other Member wish to speak? The Honourable Minister responsible for Education.

Hon. Tara A. Rivers, Minister of Education, Employment, and Gender Affairs: Thank you, Madam Speaker.

In essence, I too rise to support the spirit of this Bill for a law to promote, protect, and advance the wellbeing of older persons, to establish a council of older persons, and for incidental and connected purposes.

Madam Speaker, certainly we have heard a number of reasons why this Bill is not just timely but necessary. We, as a country and individuals, must never forget the contributions that not just our older persons played in the development of this country from a historical perspective, but the roles they play in contemporary society. As well in many respects in terms of holding the family unit together, being the backbone to many family units whereby we have a society where many of the younger persons may themselves be parents now and need to rely on their parents, the grandparents in this scenario, to help with the provision for childcare, looking after the loved ones in that regard.

Certainly, I believe this Bill is timely in that it helps us to put focus, put attention, but also put recognition on, as I said, not just from a historical perspective about the contributions of older persons but also what they do and how critically important they are to the effective running of the society. Certainly, I for one, want to publicly thank all the older persons in our community who fill that role as dutiful and doting and caring and loving members of our community to their own grandchildren, others' grandchildren, other children in the community and wider family; and certainly [I] want to publicly acknowledge the grandparents in my own child's life in that regard. Certainly, in many respects my own mother is the beacon of what I just talked about.

I also believe, having had the opportunity to participate briefly in the session they held at the John Gray Memorial Church in West Bay, when the Older Persons Policy team came to West Bay initially to talk about these issues, in terms of finding solutions to the real concerns that older people may have today; some of them chronicling basically their experiences. I believe the Minister Tabled the Older Persons Policy in this House previously and that report is a summary of all the various activities that took part on behalf of himself and his Ministry to come together and pull together what is the National Older Persons Policy which we have adopted and now we see this Bill which is the second phase in actually implementing the policy.

As was indicated in the debate so far, I think, and I would like to echo and also acknowledge again in particular, the work of many of the churches in this country, but certainly I would like to single out to some degree the work of John Gray Memorial Church because I know they are very active in having a seniors' social on a monthly basis. I think it was the first elected Member for Bodden Town who talked about the isolation that elderly people in the community often feel, and I believe certainly that activities such as

these monthly socials really help to bring some sort of enjoyment, fulfilment, feeling connected with their peers.

I too support the idea and would hope that as part of this implementation of the policy as we go along, as a country, we look to find ways to strengthen those types of relationships; but as I said, not just about having older people come together. It is great to have them come together and socialise amongst themselves to reconnect, to stay connected, but it is also critically important that we create opportunities for them to connect to the younger people in the community as well. Ensure that we pass on some of those traditions, some of those aspects of our current cultural heritage that can only be passed on by the knowledge and having that interaction with our older persons.

Certainly, that has been the impetus behind the Old Time New Year family fun day which, as one of the representatives for the district of West Bay, I saw fit to start from the very first year that I was elected in office on January 1st, 2014 and a big part of that initiative is as the words say: Old Time New Year. It recognises the contributions, the importance of who we are, our older persons and their contributions to this society, and it is also a great way to bring together the younger generation — the children, and even my generation who may not on a day-to-day basis have that interaction or appreciation for our elderly in the community. Activities such as that and other activities as I said, the monthly socials that churches such as the John Gray Memorial Church in West Bay and other organisations do in the various communities are absolutely critical and vital to ensure that our older people feel appreciated and actually have the opportunity to stay connected.

Madam Speaker, we also heard about employment and the need for greater employment opportunities for persons who may be reaching their golden years but for whatever reason either by choice or by circumstance need to continue to work. We heard from the Honourable Deputy Premier about one of the initiatives the government has put in place through the Tourism Ambassadorship Programme that has been launched; but certainly from the Ministry of Education, Employment, and Gender Affairs perspective again, one of the early programmes that was developed and launched when we took office was the Pastoral Support Worker Programme.

Whereas that programme in particular is not necessarily just targeting older persons in the community, it does require that to be a part of this program. This is the programme we have launched in the schools where members of the community who are not necessarily trained educators are offered training to be able to assist; to act as guides for certain students who need the support, who may need the extra kind of pastoral or — for lack of a better word, parental guidance, to some degree — that having that indi-

vidual in the school would provide. This is certainly open to members of our elderly community as well and those that would have been registered with the NWDA [National Workforce Development Agency] would have had an opportunity to apply for the programme and, again, as I said, it is a way to ensure that we create real, tangible, employment opportunities that are available to our elderly people.

We also heard examples about retired police or persons who may act as security guards, etcetera; I wholeheartedly support that suggestion and have been making such suggestions for a number of years now. I believe that as a Government we recognise, by bringing this Bill and certainly by accepting and acknowledging the need to have a policy geared towards ensuring the participation of our elderly people in the community, that it is absolutely critical; just as young people and youth empowerment are something I have certainly lived and promoted.

From the time I was considered a youth, I firmly believed that having this similar form of approach when people get on the other end of the spectrum is also vitally important because the knowledge, the wealth, [and] the experience that the older generation has should not be lost and left with them whereby they are not able to kind of capitalise on that, so I certainly agree with involving them.

As I said, having had the opportunity primarily to listen because it was a learning experience for me as well, to listen to the discussions that took place at the West Bay meeting of the Older Persons Committee, to hear them talk about the issues but also put forward solutions. Many of the solutions we heard here today, but also other solutions that I think are very innovative in a way that will hopefully be able to help us as a society address what they are experiencing because as they say those who feel it know it. Whereas I am probably furthest away from being a beneficiary of this policy than anybody else in this House, I certainly have had the experience of living and growing with an older family member, grandparents in the home, when they got of an age when they needed to be cared for, protected and supported.

Madam Speaker, I believe that promoting a sense of greater independence among elderly people is certainly something that would be captured as a part of the policy and the legislation to be developed going forward as well. Just to give a brief example of how, as a government, we have already considered some of these concerns and put some practical ways to address the ability for older people to live more independently, through the work of the Department of Labour and Pensions, the government has adopted a new retirement savings arrangement scheme whereby the pension payouts of elderly persons would actually increase as they get older.

Again, it depends on the pension sums to begin with but certainly, for persons who have had pensions and were able to contribute to their pensions

they would be in a position to get more and more of those funds as they get older and older, as their expenses actually increase due to medical needs, etcetera. Madam Speaker, this is the first time since the pension scheme was introduced in the late 1980s that we have seen and have had a look, as a country, at how we can improve the actual pension pay-outs to this degree. I certainly will be talking more about that when we speak about the Government Motion to bring in certain regulations.

Also, in wearing the hat as it relates to education and ongoing training and development, since this Government took office there certainly have been a number of initiatives that have been developed and launched through the Cayman Islands Library Services in particular, and many other organisations, but I can speak to some of the training programmes that have been specifically targeted to the elderly. You had to be a certain age to be able to access these training programmes for computer and other types of I.T. (Information Technology) literacy because we know the community is fast changing. Everybody has a smartphone or access to a smartphone and there are all these types of technological advancements that are happening fast and furious.

Many of our elderly people are feeling left behind because they obviously did not grow up in the age of technology, so it was important for us as a country, and certainly from the Ministry of Education's perspective, to try to create these opportunities for our elderly people to get the knowledge. Many of these classes were hosted in the districts themselves, not just the central George Town location over the past several years; again, recognising the need to provide the lifelong learning experience that we talked about as a goal for the country but giving real practical opportunities for that to happen.

As the Ministry of Education, Employment and Gender Affairs would be represented on the Council as proposed, we would look to ensure that going forward we continue to create the opportunities we have already started to address in this term to ensure that our elderly people are given the best opportunities to contribute [not only] to their own wellbeing and independence but to the wellbeing of this country as a whole, and I thank each and every one of them for doing so.

Madam Speaker, with those few words, I [would] like to say that I support the Bill and I thank the Minister and the Ministry for bringing it forward.

The Speaker: Does any other Member wish to speak?

The third elected Member for West Bay.

Mr. Bernie A. Bush, Deputy Leader of Opposition: Madam Speaker, thank you.

I too rise, and this will not be a campaign speech, to congratulate the Member responsible for

bringing his staff, and the sixth elected Member for George Town for putting some pretty good figures to it, to make it that much more [meaningful].

To the Minister: congratulations and thank you for bringing a meaningful Motion to the House.

Thank you.

The Speaker: Does any other Member wish to speak? [Pause] Does any other Member wish to speak? [Pause] Final call, does any Member wish to speak?

The Honourable Minister responsible for Financial Services.

Hon. G. Wayne Panton: Madam Speaker, I rise to indicate that I obviously fully support this Bill. Every one of us can claim to have an interest. I do not think any one of us wants to give up — well, we have some who are there, whom we have to recognise; but those of us who are not there yet do not necessarily want to give up in this case, our three score and five. In doing this legislation we hope to recognise that we are a country that values its people, values its older people and gives them dignity; gives them the ability to live their lives in comfort and feel valued and productive.

I would join the Members who have spoken in support of congratulating the Minister for bringing this Bill. I am really surprised that it [is] taking this long for us to have a Bill like this presented to this point in this honourable House because I think, we have for a very long time recognised that we have many issues relating to older people. We all know people through our interactions with our communities, who are really in need of support and I think the framework around this Bill is one which goes a long way to addressing some of those concerns.

I think the Minister has indicated that this is only the start of it; there will be other things to come. Clearly there are other things that we do need to do as a country, but I think this is a great start to address some of the concerns and I join others in congratulating the Minister.

Thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak? [Pause] Does any other Member wish to speak? [Pause] Final call, does any other Member wish to speak?

I recognise the Honourable Minister responsible for Community Affairs.

Hon. Osbourne V. Boddan: Thank you, Madam Speaker. I hope you all can bear with me to the break.

First of all, let me say what a good feeling it is to stand here and pilot a Bill such as this and to receive the bipartisan support we have seen here in this House today. Even with the comments, suggestions, and questions, it shows that everyone is fully and sin-

cerely behind an Older Persons Policy and the resulting legal framework to follow.

Madam Speaker, what I tabled recently is a 20-year and 65-page policy, and that is significant. It speaks to the amount of work that has gone in by the Steering Committee and the Implementation Committee and now a Council that has legislative backing to further this process. It was felt to be very important that we take this first legislative step so that we know that this process is going to continue from here on regardless. Once we approve this Bill and pass it into law, eventually this Council will have legislative backing, and that is very important. There is much more legislation to come and I want to assure all Members who have spoken of that fact along with regulations. As I said, the 65-page policy was done in consultation with a large group of stakeholders and many older persons.

Madam Speaker, I did not envisage my response to the Bill presentation would have to be lengthy but out of the good debate that flowed there are certain things I would just like to give Members peace of mind and assurance about.

The Speaker: Honourable Minister, by “lengthy” do you mean more than 10/15 minutes? If so, I will take the break now.

Hon. Osbourne V. Bodden: I think you should.

The Speaker: We will take the afternoon break at this time.

[Inaudible Interjections]

Proceedings suspended at 5:43 pm

Proceedings resumed at 6:39 pm

The Speaker: Please be seated. Proceedings are resumed.

I recognise the Honourable Minister responsible for Community Affairs continuing his debate.

Hon. Osbourne V. Bodden: Thank you, Madam Speaker.

Madam Speaker, there are a couple of points that I want to do my best to give clear guidance on. One raised by the Member for North Side has to do with the under 65 issue whereby someone had not reached retirement age but were deemed to be covered under this policy. That was due to the fact that, bearing in mind we just recently expanded the age to 65, the Committee [sought] to ensure that persons who have retired before 65, including those who may have left the work force on medical or similar grounds were not disenfranchised or excluded from the policy. That was the logic behind including them.

In relation to the makeup of the Council, a couple of members mentioned that, namely, the Leader of the Opposition as well as the Members for North Side and East End.

The composition of the Council is set out in what I originally read as the background to the Bill and I think the reason that the Committee [chose to include] the senior reps from the districts in the council, and also make an older person the Chair of the Council, is to ensure we have good representation from the senior group island-wide, because if we do not have those folks there we are looking to tell them what they need as younger people. They are the ones best placed to know exactly what services older persons need. I also think that due to the fact that so many people were involved in the original exercise they have a large pool of responsible people who have contributed to this point and there will not be any worry about the type of people or the composition or the ability of those people to contribute in a meaningful way.

Madam Speaker, as I said, the important thing to note is that this Legislation is but a spoke in the wheel. We have further, very detailed legislation to come, but it was important that we get something on the statute books at this time to ensure that this process continues regardless of come what may.

The policy sets out clearly many of the issues that were identified by the committee in relation to older persons. As I said, this policy was Tabled, so for the listening public and the Members of the House, I am going to refer to it on the last few pages and outline some of the benefits and issues that have been identified in terms of recommendations and strategies.

Before formulating the draft policy, it says that *effort should be made to engage the wider community on a district basis targeting the opinions, ideas, and issues of older persons who may be facing issues regularly*. That is what was done and we have made this a priority in terms of the Ministry. When I took over the Ministry, the older policy had been started but it was languishing, to say the least, and I lit the fire under it to ensure we did, because of the importance I, personally, as well as the Ministry, place on our older persons. Those whom I work with in the district, and Members here from my district know how much we value our older people and the contributions that they make in the district of Bodden Town and island-wide; the number of events the Department of Tourism and Family Services put on, and all we do to encourage their active participation.

The policy speaks to funding being identified and approved for support services and programs. It speaks to legislation that we are bringing here now and more to come to be developed and implemented to address the means of older persons including care and protection, freedom from any form of discrimination and the potential risk of harm and abuse. It speaks to developing a supportive and reliable public

transport service to assist older persons through the districts promoting their independence, dignity, and inclusion.

It speaks to the advocacy to promote and address issues impacting older persons so they have a voice; they must be given opportunities to exercise their rights as citizens of the Cayman Islands; creating a national commission for older persons to address and manage the affairs of older persons, and for the commission to be led by them. Older persons should have representation on government Boards and Committees to promote the issues impacting older persons in society.

Local media is to be more involved in promoting the issues impacting older persons and promote all aspects of healthy ageing, acknowledge the synergy between the needs of older persons and persons with disabilities and similar policies on provision of parking and use of toilet facilities. Discounted benefits — which a number of Members spoke about today — should also be considered, developing legislation to support advanced directives and preparation of living wills. Older persons should maintain a quality standard of living equal to pre-retirement for retirees.

Promotion of services and programs with emphasis on older persons such as increased partnerships in the community to meet the needs of older persons, develop an education campaign on the needs of older persons, encourage diversity of free programs and services for older persons and utilising the community development officers to coordinate these programs for example agricultural, religious workshops. Intergenerational interactions (that is, having them interact with our youth), opportunities to re-tool skills, education, promote regular services in the communities for older persons.

The Needs Assessment Unit (NAU) is to increase its resources and offer a wide timeframe to clients who are seeking assistance, to expand on all services being offered. Strengthen the database on the needs of older persons in each district — when we talk about the voluntary register, I think that is the kind of thing it can be used for because that register will identify the particular characteristics of those folks and will help the committee or the council to know exactly what those needs are.

Use existing public facilities within communities to run older persons' clubs and centres — this is something that I have particularly pushed for as Minister, referring to adult day care centres and the like. Provide a focal point for older persons. Many of them would not be afraid of computers [if we] train those who are willing and able. Transmit traditions and culture to the younger generations, as I mentioned earlier. Brainstorming with them and, in particular, looking after their needs in times of inclement weather and the like.

Churches, service clubs, young people associations, financial services, hospitality associations,

the Seafarers' Association, cultural organisations should pull together with other Government entities, for example the DCFS [Department of Children & Family Services] to advocate for and respond to the needs of older persons. Development of lifelong learning opportunities for older persons.

MLAs should have a list of opportunities, benefits, and services available for older persons at their offices to assist with the education of services; that is how we can play our part. Older persons may have many years' experience that can be put to use and benefit the Cayman Islands and we talked about the various employment opportunities that exist.

Older persons do expect to be taken care of by their adult children and where possible this should be the case unless there is no option; then they end up in a retirement home. It is one of our traditional values that we have found has eroded, and it is something that we would encourage where possible: to look after older persons in their own homes or in our homes, as we used to. The younger generations need to be properly educated and fed more vital information pertaining to older persons' dignity, participation, social, and communal care.

It talks about families respecting and valuing them in today's Cayman; and, Madam Speaker, goes on to talk about the safety and protection of older persons.

I skipped through a number of those points to basically give Members and the listening public an understanding that it was a very comprehensive exercise that took place to fill out that 65-page policy, and I do not think there are very many stones left unturned because it included those older persons in the districts and they were very keen. I sat in some of those sessions and their input was quite amazing; to see it through their eyes, and for them to speak to the things they needed and felt would make their lives better...

It is very important that we put it in the legislation because I think just having a policy on its own is one thing. It is basically an expression of interest, but when you have it in legislation the country can say and can boast that we are indeed looking after our older folk.

Something my colleague, the sixth elected Member for George Town mentioned, was the fact that he found they were getting three months' insurance coverage; that has been amended to three years whereby you know, the status of an older person is not going to change. I gave a directive on that. No sense assessing them every three months. It does not make much sense; you are only stressing them out so that has been changed to a recommendation of three years in most cases so they are quite happy to be receiving their CINICO coverage now for a much longer period and it saves significant time administratively for sure.

I was so happy to hear the second elected Member for George Town speak to his greater appre-

ciation of the need for information and the support for our older persons because of his own experience with his parents. We have to face that we are now in a day of better health care and we will have people living longer and therefore our attention on that age group needs to be quite focused on understanding their needs.

I think the Members here today have certainly contributed very well to this debate. The fact that this initial piece of legislation came today is probably a really good thing in that it now piques the awareness and the consciousness of all of us here and to listen to your inputs and value it. I am sure my staff who are here in the Chamber are also very excited, and I am sorry that I have to give apologies for Ms. Debbie Webb who is off island I think, not just off work, but off island, because she would have been here beaming today to see your enthusiasm for something that has been a real passion of hers and something she has put tremendous effort and determination into.

I cannot speak enough of her commitment to this process and the way she is, once I say go, the way she has driven me and everyone else around her. Sometimes her emails can be quite lengthy, but I can tell you they were very comprehensive and they made much sense and it is because of her determination and all of those who supported her — my CFO [Chief Financial Officer] and all the team, and the stakeholders from the public who played their important part.

Some of them were so keen that they actually continued from when the Steering Committee was first formulated, before we took office on to the new Steering Committee when it was set up again. They said to me on more than one occasion, *we hope this is not just a futile effort and this is going to end up on a shelf somewhere and all this time and effort we put in is going to be wasted*. I gave them assurances that it would not be the case, so it is with a great deal of pride and commitment and a sense of ownership that I present this Bill to the honourable House for safe passage.

I want to thank each and every one who has worked to make it possible to have it here today and I want to thank you and the Members here for their commitment and contributions on this very important stage and this very important milestone for these Cayman Islands.

I thank you, Madam Speaker.

The Speaker: The question is that the Bill shortly entitled the Older Persons Bill, 2017 be given a second reading.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Older Persons Bill, 2017 was given a second reading.

The Speaker: I recognise the Honourable Premier.

MOTION FOR THE HOUSE TO GO INTO COMMITTEE

The Premier, Hon. Alden McLaughlin: Thank you, Madam Speaker.

Madam Speaker, as I indicated to yourself and to my colleagues, I and the Honourable Attorney General and other members, not Members of the House but other members of the Government team will travel to London on Wednesday night. I have been asked to do a key note address at a major event in London on Friday and the following Monday I hope to meet with representatives of the Foreign and Commonwealth Office (FCO) and possibly the Minister concerned as well as to attend the Annual General Meeting of the APPG, the All Parties Parliamentary Group, which we have now reformed.

Madam Speaker, something we wish to do on that trip is to brief the Minister and FCO personnel about where we breached in terms of our preparation to deal with the deadline with respect to the beneficial ownership issue and the putting into place of the necessary legislation to enable our law enforcement agencies in Cayman to be able to provide the information on request to the United Kingdom counterparts. The Companies (Amendment) (No. 2) Bill, 2016, the Companies Management (Amendment) (No. 2) Bill, 2016, and the Limited Liability Companies (Amendment) Bill, 2016, which have passed their second readings, are key components of that overall exercise.

I certainly wish for those Bills to be passed by this honourable House in advance of my trip to London so I can report that those things have been done so, with the approval of the House, I would wish for the order of business in today's Order Paper to be changed so that we could move to the Committee stage on those three Bills this afternoon and thence to their third reading. Hence, Madam Speaker, I move a Motion that the Order Paper be adjusted so that the House may resolve itself into Committee to consider the Companies (Amendment) (No. 2) Bill, 2016, the Companies Management (Amendment) (No. 2) Bill 2016, and the Limited Liability Companies (Amendment) Bill, 2016 and then proceed to their third reading.

[Pause]

The Speaker: The question is that the order of business as it appears on today's Order Paper be adjusted to allow the House to go into committee to consider the three Bills just stated by the Honourable Premier,

which will allow him to report to the United Kingdom on his trip next week.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Motion passed.

The Speaker: The Motion is carried with understanding that after Committee is finished we will come back to the House to go through the other stages of the Bill and do the proper adjournment of this House.

The House will now go into Committee.

House in Committee at 7:00 pm

COMMITTEE ON BILLS

The Chairman: Please be seated.

[Pause]

The Chairman: With the leave of the House may I assume that, as usual, we would authorise the Honourable Attorney General to correct minor errors and suchlike in these Bills? Would the Clerk please state the Bill and read the relevant clauses.

COMPANIES (AMENDMENT) (NO. 2) BILL, 2016

The Clerk:

Clause 1 Short title and commencement

The Chairman: The question is that clause 1 stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

Agreed: Clause 1 now stands part of the Bill.

The Clerk:

Clause 2 Amendment of the principal Law –
Insertion of a new Part XVIIA

The Chairman: There is an amendment to clause 2. Honourable Minister.

Hon. G. Wayne Panton: Thank you very much, Madam Chair.

Madam Chair, in accordance with the provisions of Standing Order 52(1) and (2) I, the Minister of

Financial Services, Commerce and Environment give notice to move the following amendments to the Companies (Amendment) (No. 2) Bill, 2016: That clause 2 of the Bill be amended as follows:

- a) In the proposed section 244-
 - (i) in the definition of beneficial owner by deleting the words “section 247(2)” and substituting the words “section 247(2), (3) and (4)”;
 - (ii) In the definition of “beneficial ownership register” by deleting the words “respecting” and substituting the words “, containing the required particulars of”;
 - (iii) By deleting the definition of “competent authority” and substituting the following definition-
““competent authority” means the Minister referred to in section 246(1) and includes the person designated by the Minister under that section;”;
 - (iv) In the definition of “legal entity” by deleting the words “body corporate, firm” and substituting the words “company, limited liability company”;
 - (v) By deleting the definition of “registerable persons” and substituting the following definition-
““Registerable persons” means an individual or relevant legal entity that is a registerable person under section 251;”;
 - (vi) In the definition of “required particulars” by deleting the words “an individual or legal entity” and substituting the words “a registerable person”; and
 - (vii) In the definition of “specified conditions” by deleting the words section 247(2) and substituting the words “section 247(2), (3) and (4)”;
- b) In the proposed section 245
 - (i) in subsection (1)
 - (A) By deleting the words “in the Islands that are registered under the Companies Law (2016 Revision) except a company or subsidiary of a company” and substituting the words “or registered by a way of continuation under this Law, except a legal entity or subsidiary of one or more legal entities, each of which is”;
 - (B) By deleting the marginal note “(2016 Revision)” opposite the introductory words; and
 - (C) By deleting paragraph (c) and substituting the following paragraphs-
“(c) managed, arranged, administered, operated or promoted by an approved person as a special purpose vehicle, private equity fund, collective investment scheme or investment fund; and

- (ca) that is a General Partner of a vehicle, fund or scheme referred to in paragraph (c) that is managed, arranged, administered, operated, or promoted by an approved person; or”; and
- (D) By deleting the marginal note “(2015 Revision)” opposite paragraph (c);
- (ii) By inserting after subsection (1) the following subsection
- “(1A) In this section “approved person” means the person or subsidiary of a person that is-
- (a) Regulated, registered, or holding a license in the islands under a “regulatory law” as defined in section 2 of the Monetary Authority Law (2016 Revision) or regulated in a jurisdiction listed in Schedule 3 of the Money Laundering Regulations (2015 Revision); or
- (b) Listed under the Cayman Islands Stock Exchange or an approved stock exchange in Schedule 4.”; and
- (iii) In subsection 2
- (A) By deleting the words “another company” and substituting the words “one or more legal entities described in subsection (1)”;
- (B) By deleting paragraph (a), (b) and (c) and substituting the following paragraphs-
- “(a) Such legal entities, separately or collectively, hold in excess of 75% of the shares or voting rights in company S;
- (b) Each such legal entity is a member of company S and separately or collectively such legal entities have the right to appoint or remove a majority of its board of directors; or
- (c) It is a subsidiary of 1 or more legal entities, each of which is itself a subsidiary of one or more legal entities described in subsection (1)”;
- (c) In the proposed section 247-
- (i) by inserting after subsection (1) the following subsection-
- “(1A) for the purposes of identifying individuals who are beneficial owners under subsection (1), a company is entitled to rely without further inquiry on the response person to a notice in writing sent in good faith by the company unless the company has reasons to believe that the response is misleading or false.”;
- (ii) In subsection (2)-
- (A) By deleting the semi-colon at the end of paragraph (c) and substituting a full-stop; and
- (B) Deleting paragraphs (d) and (e); and
- (iii) By inserting after subsection (2) the following subsections-
- “(3) If no individual meets the conditions in subsection (2), X is a beneficial owner of company Y if X has the absolute and unconditional legal right to exercise, or actually exercises, significant influence or control over company Y through the ownership structure or interest described in subsection (2), other than solely in the capacity of a director, professional advisor or professional manager.
- (4) If no individual meets the conditions in subsections (2) and (3) but the trustees of a trust (or the members of a partnership or other entity that, under the law by which it is governed is not a legal person) meet one of those conditions in relation to company Y in their capacity as such, X is a beneficial owner of Company Y if X has the absolute and unconditional legal right to exercise, or actually exercises, significant influences or control over the activities of that trust (or partnership or other entity) other than solely in the capacity of a director, professional advisor or professional manager.”;
- (d) In the proposed section 248-
- (i) By inserting after subsection (1) the following subsection-
- “(1A) For the purpose of identifying relevant legal entities under subsection (1), a company is entitled to rely, without further enquiry, on the response of a legal entity to a notice in writing sent in good faith by the company, unless the company has reasons to believe that the response is misleading or false.”; and
- (ii) By deleting subsection (2) and substituting the following subsection-
- “(2) A “relevant legal entity” in relation to a company, is a legal entity that-
- a) Is incorporated, formed or registered (including by way of continuation or as a foreign company in the Islands under the laws of the Islands; and
- b) Would be a beneficial owner of the company if it were an individual.”;
- (e) In the proposed section 249-

- (i) In subsection (1) by inserting after the word "notice" the words "in writing";
- (ii) In subsection (2) by inserting before the word "particulars" the word "required";
- (iii) By deleting subsection (3) and substituting the following subsection-
 "(3) A company may also give notice in writing to a registered shareholder or a legal entity that the company knows or has reasonable cause to believe is a relevant legal entity in relation to that company (or would be a relevant legal entity if it were registered under this Law), if the company knows or has reasonable cause to believe that such shareholder or legal entity knows the identity of a registrable person.";
- (iv) In subsections (4)(b) by deleting the words "such persons" and substituting the words "such registrable persons"
- (v) In subsection (5)-
 (A) By deleting paragraph (a) and substituting the following paragraphs-
 "(a) the company knows that the individual or entity is not a registrable person; or
 (B) In paragraph (b) by deleting the words "; or" and substituting a full-stop; and
 (C) By deleting paragraph (c) and
- (vi) In subsections (6)(b) by deleting the words ", whether within or outside of the Islands," and substituting the words "applicable in the Islands";
- (f) In the proposed section 250-
 (i) In subsection (1) by deleting paragraph (a) and substituting the following paragraph
 "(a) the person is a registrable person in respect to a company to which this Part applies;";
 (ii) In subsection (2) by deleting the words ", unless not a registrable person,";
- (g) By deleting the proposed sections 251 to 253 and substituting the following section-
 251. (1) The following are registrable persons in relation to a company
 (a) An individual whom the company identifies pursuant to section 247 as a beneficial owner of the company.
 (b) A relevant legal entity identified by the company pursuant to section 248 that
 (i) Holds an interest in the company or meets one of more of the specified conditions directly in respect of that company; and
 (ii) Through which any beneficial owner or regular legal entity indirectly owns an interest in the company.
 (2) Whether a person holds an interest in the company or meets a specified condition in relation to the company directly or indirectly shall be determined in accordance with the Regulations.";
- (h) In the proposed section 254-
 (i) In subsection (3) by deleting the word "Local" and substituting the words "Ordinary resident";
 (ii) In subsection (4) by deleting the words "a local" and substituting the words "an ordinary resident"; and
 (iii) By deleting subsection (5) and the marginal note "(2015 Revision)" opposite it;
- (i) In the proposed section 255(4)-
 (i) By deleting paragraph (a) and substituting the following-
 "(a) the company has reasonable grounds to believe that they were supplied or confirmed by the individual or entity to whom the particulars relate;" and
 (iii) in paragraph (b)-
 (A) By inserting after the words "company," the words "and the company has reasonable grounds to believe that this was done"; and
 (B) By inserting after the word "entity" the words "to whom the particulars relate";
- (j) In the proposed section 256-
 (i) In subsection (1)
 (A) In paragraph (a) by deleting the word "name" and substituting the words "full legal name"; and
 (B) In paragraph (d) by inserting before the semicolon, the following words
 ", including-
 (i) Identifying number;
 (ii) Country of origin
 (iii) Date of issue and expiry;"; and
 (ii) In subsection (3)(e) by deleting the words "relevant legal entity" and substituting the word "person";
- (k) In the proposed section 257-
 (i) In subsection (1) by inserting after the word "particulars" the word "required";
 (ii) In subsection (2) by deleting the words "or entity";
 (iii) In subsection (3)-

- (A) In paragraph (a) by deleting the words “be registrable” and substituting the words “be a registrable person”; and
- (B) In paragraph (b) by inserting after the words “particulars” the word “required”;
- (iv) In subsection (4)(a) by inserting before the word “particulars” the word “required”;
- (l) In the proposed section 258-
 - (i) By deleting subsection (2) and substituting the following-

“(2) on receipt of a notice under subsection (1), the company shall provide the corporate services provider or the Registrar, as the case may be, with
 - (a) The missing particulars required under section 255 or section 257 pertaining to registrable persons; and
 - (b) A justification or correction respecting any statement identified in the notice; and
 - (ii) In subsection (3)
 - (A) By deleting the introductory words before the dash and substituting the following-

“(3) If a company fails due to the failure of a registrable person to comply with their obligations under this Law, to provide the missing particulars referred to in subsection (2)(a) within one month of a receipt of the notice, the company shall”; and
 - (B) By deleting the word “interest” and substituting the words “relevant interest”;
- (m) In the proposed section 259-
 - (i) In subsection (1)-
 - (A) By deleting the words “or relevant legal entities”; and
 - (B) In paragraph (b) by inserting after the word “occurs” the words “with respect to the person”; and
 - (ii) In subsections (2) and (3) by deleting the words “or relevant legal entity”;
- (n) In the proposed section 261-
 - (i) In subsections (1) and (3) by deleting the words “company’s register” wherever they appear and substituting the words “company’s beneficial ownership register”; and
 - (ii) In subsection (2) by deleting the word “party” and substituting the word “person”;
- (o) In the proposed section 262-
 - (i) In subsection (1) by inserting before the word “all” the words “information on”; and
 - (ii) By deleting subsection (2)(b) and substituting the following-

“(b) be able to search all company beneficial ownership information provided to the competent authority by corporate service providers or the Registrar by the name of an individual, a legal entity or a company; and”;
- (p) By deleting the proposed section 263 and substituting the following section-

263. A corporate services provider engaged by a company pursuant to section 254, or the registrar if so engaged shall provide an information technology solution either directly or through another corporate services provider, that enables the corporate services provider or Registrar, as the case may be-

 - (a) To establish and maintain the company’s beneficial ownership registrar on its behalf; and
 - (b) To provide the information the beneficial ownership registrar to the competent authority by way of the search platform established pursuant to section 262.”;
- (q) In the proposed section 264-
 - (i) In subsection 1-
 - (A) By deleting paragraphs (d) and (e) and substituting the following paragraph-

“(d) The Tax Information Authority designated under section 4 of the Tax Information Law (2016 Revision);”
 - (ii) In subsection (2) by deleting all the words after the word “certifies” and substituting the following words “that the request for the search is proper and lawfully made for any purpose under legislation governing the affairs or responsibilities of the body.”; and
 - (iii) By inserting after subsection 2 the following subsection-

“(2A) The competent authority shall execute a search of a company’s beneficial ownership register by means of the search platform if formerly requested to do so by the Financial Crime Unit of the Royal Cayman Islands police service if a senior official of the Unit certifies that the request for the search is in response to a request from a jurisdiction listed in Schedule 6 that is entered into an agreement with the Government respecting the sharing of beneficial ownership information made-

- (a) By a law enforcement official designated by the agreement; and
- (b) In compliance with that agreement.”;
- (r) By inserting after the proposed section 264 the following section-
264A (1) The Cayman Islands Monetary Authority may, on request by the competent authority, disclose any information in its possession in respecting a company or a subsidiary of a company registered or holding any license under a “regulatory law” as defined in section 2 of the Monetary Authority Law (2016 Revision) that the company or subsidiary would be required to provide under this Part as required particulars, if this Part applied to the company or subsidiary.
- (2) For greater certainty, section 50(1) of the Monetary Authority Law (2016 Revision) does not apply to a disclosure made under this section.”;
- (s) In the proposed section 265 by inserting after subsection (2) the following subsection-
“(3) Subject to sections 18 and 19 of the Tax Information Law (2016 Revision), information deemed to be confidential under this subsection (2) shall only be disclosed in accordance with the Confidential Information Disclosure Law, 2016.”;
- (t) In the proposed section 266(1)-
(i) by inserting before the dash the words “, by the end of the period or one month beginning with the date of the receipt of the notice”; and
(ii) In paragraph (b)(i) by deleting the words “by the end of the notice of one month beginning with the date of receipt of the notice”;
- (u) in the proposed section 267(1)(c) by deleting the word “right” and substituting the word “respect”;
- (v) in the proposed section 269(1) by deleting the introductory words and substituting the following words “A person commits an offence who, knowing that a relevant interest is subject to restrictions -”;
- (w) in the proposed section 273(1) by inserting after the word “those” the word “persons”;
- (x) In the proposed section 275 by inserting before the word “fails” the words “knowingly and wilfully”;
- (y) In the proposed section 278 by deleting the words “section 264(2) and substituting the words “section 264(2), (2A)”;
- (z) In the proposed section 281
- (i) In subsection (1)
(A) In paragraph (c) by deleting the words “a relevant legal entity referred to in that section” and substituting the words “the company referred to in the particulars”;
- (B) By deleting the word “and” at the end of paragraph (g);
- (C) in paragraph (h) by deleting the full-stop and inserting the words “; and”;
- (D) By inserting after paragraph (h) the following paragraph-
“(i) adding the name of any country or territory to Schedule 6, or deleting the name of any country or territory from that Schedule.”;
- and
- (ii) In subsection (2)-
(A) By deleting the word “and” after the semicolon at the end of paragraph (b); and
- (B) By deleting paragraphs (c) and (d) and substituting the following paragraph-
“(c) specifying the circumstance in which a person holds and interest in a company or meets a specified condition in relation to the company directly or indirectly through any number of persons or arrangements of any description.”;
- and
- (iii) In subsection (3) by deleting the words “companies or subsidiaries of companies” and substituting the words “legal entities or subsidiaries or legal entities”.

The Chairman: The amendments have been duly moved. Does any Member wish to speak thereto? The member for North Side.

Mr. D. Ezzard Miller: Madam Chairman, I only have one question for the Attorney General.

Does this volume of amendments affect the constitutionality of the Bill into law in terms of the 21 days’ notice, because once these amendments are agreed, this is not the Bill that was circulated for public consumption for 21 days.

The Chairman: Honourable Attorney General.

Hon. Samuel W. Bulgin, Attorney General: Thank you, Madam Chair.

I am not sure it affects the constitutionality. It is true that it is a significant set of amendments but I think it is really for clarity more than anything else so I

am not so sure it really affects the substance or the underlined premise of the Bill itself. It is for further clarification.

The Chairman: If—

Hon. Samuel W. Bulgin, Attorney General: Madam Chair, just want to make sure that we are looking at the right set of documents though.

The Chairman: Please.

Hon. Samuel W. Bulgin, Attorney General: The amendments that I have in my hand speak on the Companies (Amendment) (No 2.) Bill.

The Chairman: I have the Companies (Amendment) (No. 2) Bill, 2016. That is the one the Minister wants to deal with—

Hon. Samuel W. Bulgin, Attorney General: That is what it speaks to. That is what the amendments—

The Chairman: That is what it says—

Hon. Samuel W. Bulgin, Attorney General: Yeah.

The Chairman: That is what he read. Is that the correct one Minister?

Hon. G. Wayne Panton: I certainly hope so, Madam Chair, yes. That is what I am looking at.

The Chairman: The Bill itself does not say No. 2?

Hon. G. Wayne Panton: The Bill does not say No. 2 but it was published; I am told it was published as an errata in the Gazette to rename it as—

Hon. Samuel W. Bulgin, Attorney General: No. 2?

Hon. G. Wayne Panton: The Companies (Amendment) (No. 2) Bill, 2016.

Hon. Samuel W. Bulgin, Attorney General: Okay, all right.

The Chairman: The question is that the amendment stands part of the clause.

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

AYES.

The Chairman: The Ayes have it. The question now is that clause 2 as amended now stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

Agreed: Clause 2 as amended passed.

The Clerk:

Clause 3 Renumbering of section 244 and 255 of the principal law

Clause 4 Amendment of the principal law – insertion of Schedule 6

Clause 5 Transitional Provision

The Chairman: The question is that clauses 3, 4 and 5 stand part of the Bill.

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

Ayes.

The Chairman: The Ayes have it.

Agreed: Clauses 3, 4 and 5 stands part of the Bill.

The Clerk: A Bill for a Law to amend the Companies law (2016 Revision) in order to require companies incorporated in the Islands to establish and maintain beneficial ownership registers which may be searched by the competent authority and for incidental and connected matters.

The Chairman: The question is that the title does stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

Agreed: Title passed.

[Pause]

COMPANIES MANAGEMENT (AMENDMENT) BILL, 2016

The Clerk:

Clause 1 Short title and commencement

The Chairman: The question is that clause 1 stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

Agreed: Clause 1 stands part of the Bill.**The Clerk:**

Clause 2 Consequential amendment of Companies Management Law (2003 Revision)

The Speaker: Honourable Minister you have an amendment?

Hon. G. Wayne Panton: Yes Madam chair, thank you.

Madam Chair, in accordance with the provisions of Standing Order 52 (1) and (2), I the Minister of Financial Services, Commerce and Environment give notice to move the following amendments; The Companies Management (Amendment) Bill, 2016 that clause-

2. (a) of the Bill be amended by deleting paragraph (ba) of the definition of "business of company management" and substituting the following paragraph-

"(ba) Establishing and maintaining beneficial ownership registers on behalf of companies and limited liability companies incorporated or formed in the Islands offering an information technology solution to those companies and limited liability companies to make extracts of information on the beneficial ownership register searchable by the competent authority established under Part XVIIIA of the Companies Law (2016 Revision);";

And responding to requests from the competent authority about whether a company or a limited liability company or a subsidiary of the same is exempted from the application of that part or of part 12 of the Limited Liability Companies Law, 2016;"

The Chairman: The amendment has been duly moved. Does any Member wish to speak to the amendment? If not, the question is that the amendment stands part of the clause.

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

AYES.

The Chairman: The Ayes have it.

Agreed: The amendment stands part of the clause.

The Chairman: The question now is that clause 2 as amended stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

Agreed: Clause 2 as amended passed.

The Clerk: A Bill for a Law to change the Companies Management Law (2003 Revision) as a consequence of amendments made by the Companies Amendment Law, 2016 and the Limited Liability Companies (Amendment) Law, 2016.

The Chairman: The question is that the title does stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

Agreed: Title passed.

**LIMITED LIABILITY COMPANIES
(AMENDMENT) BILL, 2016**

The Clerk:

Clause 1 Short title and commencement

The Chairman: The question is that clause 1 stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

Agreed: Clause 1 now stands part of the Bill.**The Clerk:**

Clause 2 Amendment of the Limited Liability Companies Law, 2016 Revision- insertion of new Part 12

The Chairman: Honourable Minister, you have amendments to Clause 2?

Hon. G. Wayne Panton: Yes, thank you Madam Chair.

Madam Chair, in accordance with the provisions of Standing Order 52(1) and (2) I, the Minister of Financial Services, Commerce, and Environment give notice to move the following amendments to the Limited Liability Companies (Amendment) Bill, 2016. That clause 2 of the Bill be amended as follows-

a) In the proposed section 70-

- i. By inserting in the appropriate alphabetical order the following definition –
"“beneficial owner”, in relation to a limited liability company, has the meaning assigned by section 73(2), (3) and (4);”;

- ii. In the definition of “beneficial ownership register” by inserting after the words “section 80” the words “, containing the required particulars of registrable persons in relation to the limited liability company”;
 - iii. By deleting the definition of “competent authority” and substituting the following definition –
 ““competent authority” means the Minister referred to in section 246(1) of the Companies Law (2016 Revision) and includes the person designated by the Minister under that section;”;
 - iv. In the definition of “legal entity” by deleting the words “body corporate, firm” and substituting the words “company, limited liability company”;
 - v. By deleting the definition “registrable persons” and substituting the following definition –
 ““Registrable person” means an individual or relevant legal entity that is a registrable person under section 77;”;
 - vi. In the definition of “relevant interest” -
 - a) By deleting paragraph (a) and substituting the following paragraph-
 “(a) an LLC interest; or”; and
 - b) In paragraph (b) by deleting the words “board of”;
 - vii. In the definition of “required particulars” by deleting the words “an individual or legal entity” and substituting the words “a registrable person”;
 - viii. In the definition of “specified conditions” by deleting the words “section 73(2)” and substituting the words “section 73(2), (3), and (4)”;
- b) In the proposed section 71-
- (i) By renumbering section 71 as section 71(1);
 - (ii) In subsection (1) as renumbered –
 - (A) By deleting the words “in the Islands that are registered under the Limited Liability Companies Law, 2016 (Law 2 of 2016), except a limited liability company or subsidiary of such limited liability company” and substituting the words “and registered, or registered by way of continuation under this Law, except a legal entity or subsidiary of one or more legal entities, each of which is”;
 - (B) By deleting the marginal note “(Law 2 of 2016)” opposite the introductory words;
 - (C) By deleting paragraphs (c) and substituting the following paragraphs-
 “(c) Managed, arranged, administered, operated or promoted by an approved person as a special purpose vehicle, private equity fund, collective investment scheme or investment fund;
 (ca) that is a general partner of a vehicle, fund or scheme referred to in paragraph (c) that is managed, arranged, administered, operated or promoted by an approved person; or”; and
- (D) By deleting the marginal note “(2015 Revision)” opposite paragraph (c);
- (iii) by inserting after subsection (1) as renumbered the following subsection-
 “(1A) In this section, “approved person” means a person or a subsidiary of a person that is –
- (a) Regulated, registered, or holding a licence in the Islands under a “regulatory law” as defined in section 2 of the Monetary Authority Law (2016 Revision) or regulated in a jurisdiction listed in Schedule 3 of the Money Laundering Regulations (2015 Revision); or
 - (b) Listed under Cayman Islands Stock Exchange or an approved stock exchange in Schedule 4 of the Companies Law (2016 Revision).”; and
- (iv) In subsection 2-
- (A) By deleting the words “another limited liability company” and substituting the words “one or more legal entities described in subsection (1)”; and
 - (B) By deleting paragraphs (a), (b) and (c) and substituting the following paragraphs-
 “(a) Such legal entities, separately or collectively, hold in excess of 75% of the LLC interest with respect to profit sharing or voting rights in S or distribution of capital from S;
 (b) Each such legal entity is a member of S and, separately or collectively, such legal entities have the right to appoint or remove a majority of its managers; or
 (c) It is a subsidiary of one or more legal entities each of which is itself a subsidiary of one or more legal entities described in subsection (1).
- (c) In the proposed section 73-

- (i) In the marginal note by inserting after the word “companies” the words “limited liability”.
- (ii) By inserting after subsection (1) the following subsection-
 “(1A) For the purpose of identifying individuals who are beneficial owners under subsection (1), a limited liability company is entitled to rely, without further inquiry, on the response of a person to a notice in writing sent in good faith by the limited liability company, unless it has reason to believe that the response is misleading or false.”;
- (iii) In subsection (2)-
 (A) In paragraph (a) by deleting the word “holding” and substituting the word “representing”;
 (B) In paragraph (b) by inserting after the word “indirectly” the words “an LLC interest in Y representing”;
 (C) By deleting paragraphs (c), (d) and (e) and substituting the following paragraph-
 “(c) X must hold the right, directly or indirectly, to a point or remove a majority of the managers of Y.”;
- (iv) By inserting after subsection (2) the following subsections-
 “(3) If no individual meets the conditions in subsection (2), X is a beneficial owner of limited liability company Y if X otherwise has the absolute and unconditional legal right to exercise, or actually exercises, significant influence or control over Y through the ownership structure or interest describe in subsection (2) other than in the capacity of a manager or a professional advisor.
 (4) If no individual meets the conditions in subsections (2) and (3) but the trustees of a trust (or the members of a partnership or other entity that, under the law by which it is governed is not a legal person) meet one of those conditions in relation to limited liability company Y in their capacity as such, X is a beneficial owner of Y if X has the absolute and unconditional legal right to exercise, or ac-

tually exercises, significant influence or control over the activities of that trust (or partnership or other entity), other than in the capacity of—

[Pause]

Madam Chair, I think that is supposed to say manager or a professional advisor. Somehow there was a typo there—

[Inaudible Interjections]

Hon. G. Wayne Panton: The wording will be similar to the last line in subsection (3) manager or a professional advisor. I do not know if I need to do any formal amendment in that respect.

The Chairman: I think the fact that you read it in I could be seemed as a consequential amendment because it is obviously a scrivener's error.

Hon. G. Wayne Panton: Yeah. Thank you, Madam Chair.

- (d) In the proposed section 74-
 (i) In the marginal note by inserting before the word “companies” the word “limited liability”
 (ii) by inserting after subsection (1) the following subsection-
 “(1A) For the purpose of identifying relevant legal entities under subsection (1), a limited liability company is entitled to rely, without further enquiry, on the response of a legal entity to a notice in writing sent in good faith by the limited liability company, unless it has reason to believe that the response is misleading or false.”;
 (iii) by deleting subsection (2) and substituting the following subsection-
 “(2) A “relevant legal entity”, in relation to a limited liability company, is a legal entity that-
 (a) is incorporated, formed or registered (including by way of continuation or as a foreign company) in the Islands under the laws of the Islands; and
 (b) would be a beneficial owner of the limited liability

- company if it were an individual.”;
- (e) In the proposed section 75-
- (i) In the marginal note by inserting after the word “companies” the words “limited liability”;
- (ii) In subsection (1) by inserting after the word “notice” the words “in writing”;
- (iii) In subsection 2-
- (A) By deleting the words “individuals or relevant legal entities” and substituting the words “persons to whom it is addressed”; and
- (B) By inserting after the word “particulars” the word “required”;
- (iv) By deleting subsection (3) and substituting the following subsection-
- “(3) A limited liability company may also give notice in writing to a member or a legal entity that it knows or has reasonable cause to believe is a relevant legal entity in relation to that limited liability company (or would be a relevant legal entity if it were registered under this Law), if the limited liability company knows or has reasonable cause to believe that such member or a legal entity knows the identity of a registrable person.”;
- (v) In subsection (4) –
- (A) By inserting after the word “supply” the words “, at the expense of the company,”; and
- (B) By deleting the words “such persons” and substituting the words “such registrable persons”;
- (vi) In subsection (5)-
- (A) By deleting paragraph (a) and substituting the following paragraph-
- “(a) the limited liability company knows that the individual or entity is not a registrable person; or”;
- (B) In paragraph (b) by deleting the words “;or” and substituting a full-stop; and
- (C) By deleting paragraphs (c); and
- (vii) In subsection (6) by deleting the word “Law” and substituting the words “law applicable in the Islands”;
- (E) In the proposed section 76-
- (i) In subsection (1) by deleting paragraph (a) and substituting the following paragraph-
- “(a) The person is a registrable person in respect to a limited liability company to which this Part applies;”; and
- (ii) In subsection (2) by deleting the words “, unless not a registrable person,”;
- (g) By deleting the proposed sections 77 to 79 and substituting the following section-
77. (1) The following are registrable persons in relation to a limited liability company-
- (a) An individual whom the limited liability company identifies pursuant to section 73 as a beneficial owner; and
- (b) A relevant legal entity identified by the limited liability company pursuant to section 74 that-
- (i) Directly holds an LLC interest in the limited liability company or meets one or more of the specified conditions directly in respect of that limited liability company; and
- (ii) Through which any beneficial owner or relevant legal entity indirectly owns an LLC interest in the limited liability company.
- (2) Whether a person holds an LLC interest in a limited liability company or meets a specified condition relation to it directly or indirectly shall be determined in accordance with the Regulations.
- (h) In the proposed section 81(4)-
- (i) By deleting paragraph (a) and substituting the following-
- “(a) The limited liability company has reasonable grounds to believe that they were supplied or confirmed by the individual or entity to whom the particulars relate; or”; and
- (ii) In paragraph (b) by deleting the words after the word “company” and substituting the following words “and the limited liability company has reasonable grounds to believe that this was done with the knowledge of the

- individual or entity to whom the particulars relate.”;
- (i) In the proposed section 82(1)-
 - (i) In paragraph (a) by deleting the word “name” and substituting the words “full legal name”; and
 - (ii) In paragraph (d) by inserting before the semicolon the words “, including-
 - (i) Identifying number
 - (ii) Country of issue; and
 - (iii) Date of issue and of expiry;”;
 - (j) In the proposed section 83-
 - (i) In subsection (1), (3) and (4) by inserting before the word “particulars” wherever it appears the word “required”; and
 - (ii) In subsection (2) by deleting the words “or entity”;
 - (k) In the proposed section 84-
 - (i) By deleting subsection (2) and substituting the following-

“(2) on receipt of a notice under subsection (1) the company shall provide the corporate services provider with-

 - (a) The missing particulars required under section 80 or 82 pertaining to registrable persons; and
 - (b) A justification or correction respecting any statement identified in the notice.”; and
 - (ii) In subsection 3-
 - (A) By deleting the introductory words before the dash and substituting the following-

“(3) if the limited liability company fails due to the failure of a registrable person to comply with their obligations under this law to provide the missing particulars referred to in subsection (2)(a) within one month of receipt of the notice the limited liability company shall; and
 - (B) By deleting the words “a LLC interest or other interest” and substituting the words “the LLC interest or other interest”;
 - (l) In the proposed section 85-
 - (i) In subsection 1-
 - (A) By deleting the words “or relevant legal entities” and
 - (B) In paragraph (b) by deleting the words “83(4), occurs” and substituting the words “83(3) occurs with respect to the person”; and
 - (ii) In subsections (2) and (3) by deleting the words “or a relevant legal entity” wherever they appear.
 - (m) In the proposed section 87-
 - (i) In subsections (1) and (3) by deleting the words “company’s register” wherever they appear and substituting the words “company’s beneficial ownership register”; and
 - (ii) In subsection 2 by deleting the word party and substituting the word person.
 - (n) By inserting after the reposed heading “Access to Beneficial Ownership Information” the following section-

87A (1) The competent authority shall establish a search platform by means of which access shall be provided to information on all beneficial ownership registers maintained on behalf of limited liability companies subject to this part by corporate service providers

(2) The search platform must-

 - (a) Be secure and accessible only by competent authority;
 - (b) Be able to search all limited liability company beneficial ownership information provided to the competent authority by corporate service providers by the name of an individual, legal entity or a limited liability company; and
 - (c) Prevent communication to any person of the fact that a search is being made or has taken place except where the competent authority expressly discloses such communication.
 - (o) In the proposed section 88-
 - (i) In the marginal note by deleting the words “Registrar and”;
 - (ii) By inserting after the dash the words “enables the corporate services provider”; and
 - (iii) By deleting paragraphs A and B and substituting the following paragraphs-
 - “(a) To establish and maintain the Limited liability Companies beneficial ownership register on behalf of the limited liability company; and
 - (b) To provide information on the beneficial ownership registered to the competent authority by means of the search platform established by the competent authority pursuant to section 87A”;
 - (p) In the proposed section 89(1)-
 - (i) By deleting the words “referred to in section 88(b) if” and substituting the words “if formally requested to do so-”; and
 - (iii) By deleting paragraphs (a) and (b) and substituting the following paragraphs
 - (a) By a senior official referred to in section 264(1) of the Companies Law, (2016 Revision), provided that the senior official certifies that the request

- meets the conditions referred to in section 264(2) of that Law; or
- (b) By the Financial Crime Unit of the Royal Cayman Islands Police Service, provided that a senior official of the Unit certifies that the request meets the conditions referred to in section 264(2A) of the Companies Law, (2016 Revision).”;
- (q) By inserting after the proposed section 89 the following section-
- 89A (1) The Cayman Islands Monetary Authority may on request by the competent authority, disclose any information in its position respecting a limited liability company or a subsidiary of a company registered or holding a license under a “regulatory law” as defined in section 2 of the Monetary Authority Law 2016 revision that the company or a subsidiary would be required to provide under this part as required particulars, if this Part applied to it.
- (2) for greater certainty, section 50(1) of the Monetary Authority Law (2016 Revision) does not apply to a disclosure made under this section.”;
- (r) In the proposed section 90-
- (i) In subsection (2) by deleting the words “and may be disclosed only in accordance with that Law”; and
- (ii) By inserting after subsection (2) the following subsection-
- (3) subject to sections 18 and 19 of The Tax Information Law (2016 Revision), information deemed to be confidential under this subsection (2) shall only be disclosed in accordance with the Confidential Information Disclosure Law, 2016.”
- (s) In the proposed section 91-
- (i) In subsection (1)(b)
- (A) Inserting before the dash the words “, by the end of the period of one month beginning with the date of receipt of the notice”; and
- (B) In subparagraph (i) by deleting the words “by the end of the period of one month beginning with the date of receipt of the notice”; and
- (iii) In subsection (2) by deleting the words “a LLC” and substituting the words “an LLC”;
- (t) In the proposed section 92(1)-
- (i) In paragraph (c) by deleting the words “LLC interest may be issued in right” and substituting the words “additional rights may be granted in respect”; and
- (ii) In paragraph (e)(i) by deleting the words “issued with any LLC interest issued and substituting the words granted additional rights”;
- (u) In the proposed section 93(1) by deleting the words “a LLC” and substituting the words “an LLC”;
- (v) In the proposed section 94(1) by deleting the introductory words and substituting the following words “A person commits an offence who knowing that a relevant interest is subject to restrictions-“;
- (w) In the proposed section 98(1) by inserting after the word “those” the word “persons”;
- (x) In the proposed section 100 by deleting the words “80(1), 81(1) or (2) or 83(2) or” and substituting the words “80, 81(1), or 83(2) or knowingly and wilfully”;
- (y) In the proposed section 102(1)(a) by deleting the number “82” and substituting the number “85”;
- (z) In the proposed section 103 by deleting the words “89(2) or (3) or” and substituting the words “89(1) or (2) or who”; and
- (za) in the proposed section 106-
- (i) In subsection (1)
- (A) In paragraph (c) by deleting the words “a relevant legal entity referred to in that section” and substituting the words “the limited liability company referred to in the particulars”;
- (B) By deleting the word “and” at the end of paragraph (f); and
- (C) By renaming paragraph (h) as paragraph (g);
- (ii) In subsection (2)-
- (A) By inserting the word “and” after the semi-colon at the end of paragraph (b); and
- (B) By deleting paragraphs (c) and (d) and substituting the following paragraph-
- “(c) Specifying the circumstances in which a person holds an interest in a limited liability company or meets a specified condition in relation to it directly or indirectly through any number of persons or arrangements of any description.”;
- (iii) In subsection (3)-
- (A) By inserting after the word “may” the words “, by affirmative resolution,”; and
- (B) By deleting the words “companies or subsidiaries of

companies” and substituting the words “legal entities or subsidiaries of legal entities”; and

(iv) By deleting subsection (4).

The Chairman: The amendments have been duly moved does any Member wish to speak to the amendments? If not, the question is that the amendments stand part of the clause.

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

AYES.

The Chairman: The Ayes have it.

Agreed: Amendment to clause 2 passed.

The Chairman: The question now is that clause 2 as amended stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

Agreed: Clause 2, as amended passed.

The Clerk:

Clause 3 Transitional Provision

The Chairman: The question is that clause 3 stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

Agreed: Clause 3 passed.

The Clerk: A Bill for a Law to amend the Limited Liability Companies Law, 2016 in order to require Limited Liabilities Companies registered in the Island to establish and maintain beneficial ownership registers; to enable the registers to be searched by the competent authority designated under the Companies Law, (2016 Revision); and for incidental and connected matters.

The Chairman: The question is that the title does stand part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

Agreed: Title passed.

The Chairman: The question is now that the Bills be reported to the House.

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

AYES.

The Chairman: The Ayes have it.

Agreed: The Bills will be reported to the House.

House resumed at 11:10 pm

The Speaker: Please be seated.

The House will now resume.

REPORT ON BILLS

COMPANIES (AMENDMENT) (NO. 2) BILL, 2016

The Speaker: Honourable Minister for Financial Services.

Hon. Wayne Panton, Minister of Financial Services, Commerce & Environment: Madam Speaker I am to report that a bill shortly entitled the Companies (Amendment) (No. 2) Bill, 2016 was considered by a Committee of the whole House and passed with amendments.

The Speaker: The Bill has been duly reported and is set down for a third reading.

[Pause]

COMPANIES MANAGEMENT (AMENDMENT) (NO. 2) BILL, 2016

The Speaker: Honourable Minister for Financial Services.

Hon. G. Wayne Panton: Madam Speaker, I am to report that a Bill shortly entitled the Companies Management (Amendment) (No. 2) Bill, 2016 was considered by a Committee of the whole House and passed with an amendment.

The Speaker: The Bill has been duly reported and is set down for a third reading.

LIMITED LIABILITY COMPANIES (AMENDMENT) BILL, 2016

The Clerk: The Limited Liability Companies (Amendment) Bill, 2016.

The Speaker: Honourable Minister for Financial Services.

Hon. G. Wayne Panton: Thank you, Madam Speaker.

I am to report that a bill shortly entitled The Limited Liability Companies (Amendment) Bill, 2016 was considered by a Committee of the whole House and passed with several amendments.

[Laughter]

The Speaker: The Bill has been duly reported and is set down for its third reading.

THIRD READINGS

COMPANIES (AMENDMENT) (NO. 2) BILL, 2016

The Speaker: Honourable Minister for Financial Services.

Hon. G. Wayne Panton: Madam Speaker, I beg to move that a Bill shortly entitled the Companies (Amendment) (No. 2) Bill, 2016 be given a third reading and passed.

The Speaker: The question is that the Companies (Amendment) (No. 2) Bill, 2016 be given a third reading and passed.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Companies (Amendment) (No. 2) Bill, 2016, was given a third reading and passed.

COMPANIES MANAGEMENT (AMENDMENT) (NO. 2) BILL, 2016

The Speaker: Honourable Minister for Financial Services.

Hon. G. Wayne Panton: Thank you, Madam Speaker.

Madam Speaker, I beg to move that a Bill shortly entitled the Companies Management (Amendment) (No. 2) Bill, 2016 be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled the Companies Management (Amendment) (No. 2) Bill, 2016 be given a third reading and passed.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Companies Management (Amendment) (No. 2) Bill, 2016, given a third reading and passed.

LIMITED LIABILITY COMPANIES (AMENDMENT) BILL, 2016

The Speaker: Honourable Minister for Financial Services.

Hon. G. Wayne Panton: Thank you Madam Speaker.

I beg to move that a Bill shortly entitled the Limited Liability Companies (Amendment) Bill, 2016 be given a third reading and passed.

The Speaker: The question is that the Limited Liability Companies (Amendment) Bill 2016 be given a third reading and passed.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Limited Liability Companies (Amendment) Bill, 2016, given a third reading and passed.

The Speaker: I recognise the Honourable Premier.

The Premier, Hon. Alden McLaughlin: Thank you, Madam Speaker.

Madam Speaker, before I move the adjournment of this honourable House I wish to express my gratitude and that of the Government and the Minister, in particular, for the cooperation of all Members of this House present with respect to this matter; for agreeing to allow the House to go into Committee to deal with these three very important Bills, and for the cooperation and full support of the efforts the Government is making to ensure that we are in full compliance with the agreement we made with the United Kingdom Government with respect to this beneficial ownership issue, which is critical to the Financial Services Industry.

[The] passage of these Bills is part of the agreement we have with them that on the basis of the platform these Bills help to create, law enforcement agencies in Cayman can respond quickly and accurately to requests from law enforcement agencies in the United Kingdom instead of us being forced down the road to create central public registers.

We want to be able to demonstrate that we are on target to meet those objectives and those commitments the expiration date for which is June, I

believe, so again, my gratitude; that of the Government's — and the Minister's in particular — to all Members of the House for understanding and cooperating. I think it is a good indication of how seriously all Members of the House take this matter.

Madam Speaker, I now move the adjournment of this honourable House until Wednesday, the 8th of March at 10 a.m.

The Speaker: I recognise the fourth elected Member for Bodden Town.

STANDING ORDER 11 (6) AND (7)

(Raising a Public Matter)

Mr. Alva H. Suckoo: Thank you, Madam Speaker.

Madam Speaker, in accordance with Standing Order 11(6) and 11 (7), I would like to make a statement which is a matter of national importance.

The Speaker: Please—

Mr. Alva H. Suckoo: With your permission.

The Speaker: Proceed.

Mr. Alva H. Suckoo: Thank you, Madam Speaker.

Madam Speaker, further to the personal statement read today in this honourable House by the fifth elected Member for George Town, whereby he mentioned the concern that a private investigation services firm has allegedly been hired to gather information on certain independent Members of the Legislative Assembly for nefarious purposes, I wish to further advise this Honourable Assembly that the independent Members have been reliably informed through our own investigative resources that—

- 1) There are, in fact, three individuals posing as visitors currently in Grand Cayman. These individuals are travelling in rental cars and are now carrying out private investigations into certain independent Members of this Honourable Assembly
- 2) It has been reported to the independent Members that these individuals have allegedly been hired by one or more local law firms; and that this action is directly linked to our opposition of the upcoming Legal Practitioners Bill.

Madam Speaker, as a matter of national importance I am therefore requesting that this matter be immediately investigated by the RCIPS [Royal Cayman Islands Police Service], the Attorney General's Office, and the Immigration Department as the actions of these individuals and their clients is a direct threat to the safety and wellbeing of Members of this Honourable Assembly and our families and may constitute

a breach of several laws including the Immigration Law.

Madam Speaker, we ask that the proper authorities take any and all legally permissible actions to apprehend and question these individuals and that immediate steps be taken to ensure the safety and protection of all Members of this Legislative Assembly.

Thank you, Madam Speaker.

[Pause]

ADJOURNMENT

The Speaker: The question is that this honourable House be now adjourned until Wednesday the 8th day of March at 10 am.

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

AYES.

The Speaker: The Ayes have it. The House stands adjourned until next Wednesday, the 8th day of March at 10 am.

At 11:55 pm the House stood adjourned until Wednesday, 8th March 2017 at 10 am.