



CAYMAN ISLANDS GOVERNMENT

EXPENDITURE REQUESTS TO FINANCE COMMITTEE

FOR THE APPROPRIATION (FINANCIAL YEARS 2026 AND 2027) BILL, 2025

FOR THE YEAR ENDING 31 DECEMBER 2027

EXPENDITURE REQUESTS TO FINANCE COMMITTEE WITH RESPECT TO THE APPROPRIATION (FINANCIAL YEARS 2026 AND 2027) BILL, 2025

Verbatim transcript of the Standing Finance Committee meeting held Friday, 14th November 2025, at 10:49am in the Chamber of the House of Parliament; George Town, Grand Cayman.

Present: Hon. Rolston M. Anglin, JP - Chairman
Hon. André M. Ebanks, MP
Hon. Gary B. Rutty, MP
Hon. Katherine A. Ebanks-Wilks, MP
Hon. Johany S. Ebanks, JP, MP
Hon. Isaac D. Rankine, JP, MP
Hon. Nickolas T. A. DaCosta, JP, MP
Hon. Michael S. Myles, MP
Hon. G. Wayne Panton, JP, MP
Ms. Heather D. Bodden, OCl, Cert. Hon., JP, MP
Mrs. Julie J.T. Hunter, JP, MP
Hon. Joseph X. Hew, MP
Hon. Kenneth V. Bryan, JP, MP
Hon. Pearlina L. McGaw-Lumsden, MP
Hon. Juliana Y. O'Connor-Connolly, JP, MP
Mr. A. Roy Tatum, Cert. Hon., MP
Mr. Roy M. McTaggart, JP, MP
Mr. Christopher S. Saunders, MP
Mr. Dwayne S. Seymour, CCl, JP, MP

In Attendance: Mr. Kenneth Jefferson, Financial Secretary & Chief Officer, Ministry of Finance & Economic Development
Mr. Michael Nixon, Senior Assistant Financial Secretary, Ministry of Finance & Economic Development
Ms. Anne Owens, Senior Assistant Financial Secretary, Ministry of Finance & Economic Development
Mr. Matthew Tibbetts, Accountant General, Ministry of Finance & Economic Development

Witnesses: Mr. Sonji Myles, Interim Chief Executive Officer, Utility Regulation and Competition Office (OfReg)

Procedural Clerks: Mrs. Zena Merren-Chin, Clerk & Chief Officer
Mrs. Twila Escalante, Deputy Clerk

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

The Chairman: Good morning, everyone. I would like to call this meeting of Finance Committee to order. I call on the Honourable Leader of the Opposition to open us in prayer.

Hon. Joseph X. Hew, Leader of the Opposition, Elected Member for George Town North: Thank you, Mr. Chairman.

Let us pray: Our Heavenly Father, we ask that you guide us through these deliberations of the Finance Committee and that we do it in a way that would be befitting to you, Heavenly Father.

Heavenly Father, we also ask that you bless all of us here today [and] the citizens of these three Cayman Islands. We also ask your mercies on those around the world, [particularly] in the region, who have suffered recently with hurricanes and other disasters. We ask, Heavenly Father, that you bless them and provide them with the hope and support they need to get through such difficult times. In saying that, Heavenly Father, we once again thank you for your mercies on the Cayman Islands.

We ask that you be with us today and always, as we do things in your name, Jesus Christ. Thank you.

Amen.

The Chairman: Amen.

Please be seated.

Members, I want to thank everyone for their participation yesterday. As was indicated, I think at this stage, all members should be in possession of the tentative schedule for the calling of witnesses to the Committee. Of course, we will endeavour to do our best to ensure that we abide by that schedule so that all members can prepare appropriately for whichever Ministers they will have to question.

We open the proceedings with appropriations allocated to me in my role as the Minister responsible for Education and Training, so I would open the floor to questions on EGA 1.

Honourable Deputy Leader of the Opposition and Member for George Town Central, Hon. Kenneth Bryan.

APPROPRIATIONS TO THE MINISTER FOR EDUCATION AND TRAINING

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

Good morning, colleagues. Good morning [to] the awesome and amazing civil servants who are here to support us today. Thank you; it's wonderful to see you.

I want to start off with questions today with respect to preschool education cost. Mr. Minister, you have done a significant analysis of the importance of having children get that early educational input so that when they get to the primary school level they have the basic things so it doesn't become so difficult for the primary school system to get them rolling into their primary curriculum.

I think I recall you saying on the radio or at a function, that they're supposed to know their ABCs (alphabet) and 123s and other basic things before they get to primary school and you are so right, but we've had a recent report talking about the cost of early preschool education. From a policy perspective, what is the Government's position to help with the high cost of living in the area of preschool costs?

Secondly, based on your assessment thus far, are there enough schools offering services for early education care before primary school in the country?

The Chairman: Thank you very much for the question.

The studies have shown— and I would presume that by this time there wouldn't be any debate, certainly in this country and certainly not in this Committee that 90 per cent of brain development in the average human being happens between zero and five; so, yes, the Government's number one priority is going to be early childhood care and education to ensure we establish the best and surest foundations for all of our learners.

I am comfortable doubling the allocations as outlined in TP 27 – Pre-School Educational Assistance (which was \$900,000 last year); by allocating \$2.1 million:

- (a) We're increasing the funding;
- (b) We will be looking at the bands; and
- (c) We're going to be introducing a hardship allowance analysis.

We're also going to be looking at what a household's disposable income is versus just looking at bands. The danger with just having income bands is you don't take account of things like renting versus having a mortgage; whether it's a single-parent household, et cetera. We believe with all of those interventions we will be able to assist parents more meaningfully and certainly reach those who are true hardship cases, that might have fallen through the proverbial cracks in the old system.

As it relates to the number of centres, there are a number of catchment areas that are underserved, in particular, Bodden Town East and a part of Bodden Town West. Hence, the reason we are looking at what we will do as it relates to preschool provision at Theoline McCoy Primary School. Let me say that given the importance of the area, from my perspective, the next round of spending is going to be around meaningful support for centres.

Right now, we do have a number of positive interventions with training of staff and the like, at centres; however, there is more work to be done and that is something that we are going to be looking at coming back to the country with what will be a proposed new model. That could include government primary schools adding additional school buildings to be able to provide pre-reception.

You would not have been elected [then], but in my last tour of duty one of the things I ensured was not just getting rid of modular classrooms at primary school sites, but ensuring that we net built additional classroom spaces to offer Reception— it wasn't being offered at a number of primary schools at the time.

I believe this next round has to be about government looking holistically at what is going to be the most impactful model for our children. I can assure the Committee that at every step of the way, the decisions

taken [will consider] the impact on our children and their life chances. This is not about whether a constituent owns a preschool or not, but about what will have the most meaningful impact on the life chances of our people. That is at the core of all policy decisions we make and will certainly remain at the core for early childhood care and education decisions.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Thank you so much, Minister. Quite a fluent answer and I appreciate it.

By way of context, the DFA [Department of Financial Assistance] has a structure by which they [offer] financial support for those who may need it. The process of assessment that you were speaking of may be working closely with them because I know their budget for support of preschool care — and we will deal with that when we get to the Honourable Minister for that area — in my humble opinion, still isn't sufficient because their bands are way too low, particularly with this new report of the average cost for early education being well over \$1,100.

We'll talk about that later, but now I want to go to the Public School Meals. I see it has been reduced by \$2.1 million each year for a total \$4.2 million reduction. There is still \$9 million there per year, so I don't want to [give the impression] that the government is cutting the programme whatsoever; but can we take any indication from that reduction whether it's cost savings or being more careful with the spending or changing habits that would be less costly? Can you tell us the practicality of the cost reduction? I know the school population hasn't reduced, so there has to be a reason for that reduction.

The Chairman: The reason for the reduction is two-fold. Firstly, we have got significant complaints from parents and teachers, and we have got enough evidence that there is significant waste — children are simply not eating what we are paying for. All of us as Members, I'm sure, will have received similar complaints.

We are also looking very carefully and closely at the absolute provision to ensure that again, we are being impactful. We are looking at the provisioning across breakfast, break, and lunch, and at sugary drinks and their cost financially but more importantly, the cost of sugary drinks health-wise; what they do to a young body with regard to their capacity to concentrate and learn. I think all of us will at least know someone who, when they intake high amounts of sugar, it absolutely impacts their concentration levels. On a personal level, I for one, know that I have to avoid them because they absolutely positively make me drowsy. If it does it to an adult, imagine what it can do to children.

We looked at the data. That is how we're convinced we're going to be able to effect cost savings but not impact what the outcome should be, which is

ensuring no child's learning is impacted by going hungry.

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

I want to quickly turn to the Extended After-School Programme which wasn't budgeted for before but now has a budget of \$1.5 million for both years. Because it wasn't there before, can you give us a little preview of what it's about — I'm really happy about after school programmes because they're essential.

Once you finish your answer, I want to potentially tie it back to the Youth Centre at Central Scranton Park on which the vision for the park was created. I'm interested to hear about this because I would now like to see the government use that park, which we spoke about yesterday with the Honourable Minister — I'm so thankful for his hard work. As the park is nearing its opening, I would like to see if there could be collaborations with programmes to utilise the park, because it wasn't supposed to be just a pretty park. I want to see programmes for kids functioning there; I'm really keen on these extended after-school programmes the Youth Centre was really focused on.

The Chairman: Thank you, honourable Member.

The \$1.5 million is neither net new money nor new spending. It is tidying up the budget document system. This would be known to members as the programme that YMCA [Young Men's Christian Association] has run for a number of years as an output supplier so it's a continuation of the programme; however, and you're going to hear this as a theme — you would have heard it as a theme during my debate on the budget— everything we do must be having the most significant positive impact.

Governments worldwide are very busy spending and many great, hard-working, civil servants are working awfully hard— what is the impact you're having; so we are looking at this programme to see how impactful it is and whether or not there need to be any tweaks or changes. It is something we haven't got to yet, as you know we're only six months in, Rome wasn't built in a day; but this is the extended after-school programme that is currently run by the YMCA.

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

I'm going to be mindful of my colleagues. I have about four more questions, but I want to give someone else an opportunity. It will come back to me later, sir. Thanks.

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

Mr. A. Roy Tatum, Elected Member for Red Bay: Thank you, Mr. Chairman. Good morning to all, and to the education staff.

Mr. Chairman, if you could humour me for a second. While on the Floor during the last Parliament [*sic*], I thanked a gentleman whom I haven't seen since. Now that he's here, I'd like to thank Mr. Mark Ray. A telephone call to him a few months ago helped grease the wheels of our system. There is a family that needed help with a child who has mental issues. I want to thank him and everyone who helped him grease those wheels. That young lady received the help she needed, so I just want to say "Thanks," now that I'm seeing him.

Mr. Chairman, following up on ECAP [Early Childhood Assistance Programme]. You know that we share an appreciation for how important early childhood education is. As you've indicated, the programme is being expanded. I take my hat off to you, sir. Has that work actually started, that review of the ECAP? If it hasn't, when do you think it might start, and when might the new Programme be in place?

The Chairman: Yes, the work has started and I certainly would hope that by no later than January, we will have had enough consultation and thought within the Ministry to have created what the new system will look like.

Mr. A. Roy Tatum: Excellent, sir, thank you. That was the answer I was hoping to hear.

We also discussed waiting lists. As you indicated earlier, there are a number of areas... George Town probably has the best number of early childhood centres across Grand Cayman. As you indicated, there are concerns in Bodden Town as I believe in West Bay too. In terms of the waiting list, you indicated there was a new report coming out at the end of October which would have the updated waiting list numbers. Is that available or do you have any idea what those numbers are?

The Chairman: Just give me a second.

We don't have the updated information to hand, but we certainly can commit to providing it to you in writing.

Mr. A. Roy Tatum: I appreciate that, thank you. I look forward to receiving it.

Turning my attention to CIFEC [Cayman Islands Further Education Centre]. I mentioned during my Strategic Policy Statement (SPS) debate that I became aware of a concern. Since the move to the new location, the ability to service those students with technical and vocational needs has lessened. They have lost access to equipment — the auto mechanic equipment, I think. I can't remember specifically but can someone update me as to exactly what's the plan for CIFEC in terms of ensuring they have the equipment they need to cater to the children coming there for technical and vocational studies?

The Chairman: Mr. Tatum, with regard to that specific provisioning, no, it has not been replaced; however, we are very mindful that young people have other opportunities looking across the system and in particular, looking at other post-compulsory opportunities such as the Superior Auto Training Programme.

The other thing that we have started a piece of work on is, again, looking at impact by tracing our students and seeing who is taking up opportunities and where. It's all good and fine for us as adults to have what I like to term "feel good exercises" by saying we're offering X, Y and Z when young people are telling us something very, very different because they're not following that path.

I want to provide pathways that are collaborative with young people, their families and the economy to ensure that what we are offering is actually having an impact on the economy. No one has yet been able to produce credible evidence to me that we have been able to convince young Caymanians to enter this field; so why are we doing it and why are we doing it at various schools?

We have to complete the work and be able to look at how we restructure CIFEC. I, of course, campaigned on the fact that I want to push to get our children in compulsory education until 18. Obviously, that piece of work will take some time and that's something that I'm looking forward to in the next budget cycle; but incorporated in all of that will be looking at all of our provisioning and trying to make sure that we're having the most impactful provisioning for our economy and for our children.

We're not housing young people; we're trying to create the most productive, competent adults who can take their place in Caymanian society and have a meaningful life. If we don't listen to them and their families, and pay close attention to what's happening in the economy, we will continue to have these misalignments we have historically had in Cayman. All other provisioning is there and certainly, I feel very comfortable that young people have adequate provisioning at CIFEC.

Mr. A. Roy Tatum: You're preaching to the converted in terms of making sure that young people are going in the direction they need to be going in, but... you mentioned a review of CIFEC. Do you have any ideas about the direction that you think CIFEC should be going in?

The Chairman: Firstly, CIFEC needs to expand its range of resit options. Right now, history has proven that the addition of CIFEC has had a net positive impact on our young people, so the value-added [of] CIFEC between what numbers of young people, for example, pass maths and get a Level 2 pass at Year 11 versus Year 12, there's a positive uptick. In my opinion, in and of itself that has justified my decision to create CIFEC. We now need to build that out so there

are more opportunities for resits because we need to be working much more strategically with school leaders, heads of years and families for young people who are right at the cusp of those five Level 2 passes including Maths and English, and working diligently to get them over the finish line.

We also need to enhance opportunities for all our young people. Work experience is going to be much more impactful; and a much more traditional TVET-looking pathway is going to be more impactful by having a broader range of options for them, which again, is more strategic, tied to our economy and most importantly tied to qualifications that our industries sign off on. We cannot have misalignment between what we're doing at CIFEC, what is happening in further education post-CIFEC, and then, ultimately, what our economy needs.

To my mind, it's looking broadly at a wider range of resit options, being more strategic along the TVET options, bringing that together to really create much tighter pathways for our young people. Everything we do has got to be about improving the life chances of every Caymanian child who goes through our system.

Mr. A. Roy Tatum: I thank you for that, sir. Are you planning a review of just CIFEC or the entire Year 12?

The Chairman: The entire Year 12 programme, but with a real focus on CIFEC; yes.

Mr. A. Roy Tatum: You mentioned work experience.

I've come to understand there's a challenge in terms of placing youngsters from CIFEC including within the government system at times. I won't ask you to respond to that, but only suggest it is something that needs looking at, especially places within the government system. I will leave it at that, sir.

The Chairman: Don't leave me at that.

Mr. A. Roy Tatum: Alright; go ahead.

The Chairman: What I will say is that we are going to be working very closely with the Ministry of Caymanian Employment, leaders in the Civil Service and industry generally, to ensure that. Working in tandem with a revamped immigration system is what our compulsory and post-compulsory offerings, especially in the TVET areas, actually mean to Caymanians. The pathways must be much more clearly defined; they must be tighter and they must be feeding our economy. We know we have deficits in HVAC [heating, ventilation and air conditioning] technicians, just as an example. That is what we should be debating here—how are we going to get the most impactful provisioning that actually feeds into the economy the skill sets the economy tells us that it needs? This has to be

about Caymanians [and] having them aligned for success in the workforce.

The last piece I want to add is that this will work in tandem with the review of what's happening at UCCI [University College of the Cayman Islands] because there must be a continuum — what is happening in the education sector once you leave CIFEC. UCCI must support what's happening at CIFEC, and other private institutions that are providing high-quality programming, ensuring those offerings are also aligned, so that there's that continuum, but then there's also the ability for adult Caymanians to upskill themselves.

Mr. A. Roy Tatum: I thank you for that, sir.

You mentioned private institutions and other organisations offering technical and vocational training. One was the automobile programme. What other private sector organisations are we looking to work with?

The Chairman: There has been a range of organisations that have emerged in the marketplace over the last few years. Right now, the registered post-compulsory institutions are:

- BrainChild Learning and Development;
- Cayman Career Academy;
- Cayman Islands Financial Services Institute;
- Drift Enterprise Training;
- Health City Cayman Islands;
- Inspire Cayman Training;
- Minerva Holdings; and
- The Public Works Apprenticeship Training Programme.

Let me be clear on that. The Minister responsible and I have also agreed that included in the review of CIFEC and all our training opportunities will be a review of the public works apprenticeship training Programme to ensure everything is aligned and strategic.

We can't have differing areas of government not aligned with what's happening at the Ministry of Education. The Ministry of Education and Training has to be included and we work in tandem to ensure that everything we're doing and every bit of money we are spending is about impact and outcomes. This is public money.

Mr. A. Roy Tatum: I have other questions but I will let others proceed. I'll come back later. Thank you.

The Chairman: Member for Bodden Town West.

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

This is general. When you look at jobs that would be replaced by AI [Artificial Intelligence], teaching jobs are considered lower risk along with health

care professionals, social workers and so forth; yet I noticed in the last HR Report published by PoCS [Portfolio of the Civil Service], that within the Department of Education, only 46 per cent of the staff were Caymanian and for UCCI only 44 per cent of the staff were Caymanian.

Recognising that these are some of the lower-risk jobs to be replaced by AI, in other words, professionals with job security, are there any initiatives your Ministry is looking to undertake to encourage more Caymanians to be involved with education so we can get it, I guess, more *Caymanised*.

The Chairman: Certainly. Members, I hope, would have seen the initiatives that we rolled out recently, which is going to be something that continues. We are going to continue the drive of trying to inspire more Caymanians into the sector; and the sector, as you quite rightly said, is not just about teaching. There are many wonderful opportunities that are allied to schools: school counsellors, education psychologists, and special education needs coordinators. There are many wonderful opportunities that we are going to continue to push Caymanians toward.

We also want to ensure that as we do that we continue to recognise the importance which has been demarcated in the scholarship programme, and that is, anyone who takes up a scholarship in education is granted up to \$5,000 more. Money doesn't mean that it's the only thing, but if government is going to say something is more important, obviously, a key signal is saying that we're going to fund it just a bit more than we fund other areas. Now, we are going to be undertaking a wider review of the scholarship programme to make that more strategic and focused on what our economy needs.

We cannot continue to have this misalignment between majors that our young people are taking up versus what the economy needs. It's down to us; we are the professionals, we have the data and that is going to be a committee that is going to involve the private sector because the private sector is where the vast majority of jobs are and we have to be feeding the private sector with the skills it needs.

Premier.

The Premier, Hon. André M. Ebanks, Minister of Financial Services and Commerce, Elected Member for West Bay South: Morning, and thank you, Mr. Chair. To comment briefly on two points.

To go back to an answer that you gave in reply to the Member for Red Bay. I think you mentioned that one of the programmes we're supporting is the Financial Institute. I want to make a point here in public that that programme was put together by a well-known Caymanian; and the reason he came back to government is that it doesn't cost very much money to get Caymanians qualified in financial services, yet he was unable to obtain uptake from the private sector.

That is unacceptable and I said so at the Chamber Parliamentary Lunch. Yes, government is going to fund it this time to motivate private sector take up; but there is no reason why some of these firms could not have sponsored young Caymanians to get in the industry and support that programme. Just a comment.

In relation to AI, the new task force that we have put together under the leadership of Minister Isaac Rankine includes a youth component because we already have Caymanians students who have Masters in AI. How do they come back home and utilise that skill set and how do we encourage more Caymanians, because those are the jobs of the future?

The Chairman: Absolutely. Thank you.

Mr. Christopher S. Saunders: Last comment for now, Mr. Chairman, I want to thank both you and the Premier for that response. I remember in a separate, private conversation that you and I had, Mr. Chairman, you indicated in terms of aligning the scholarship programme to what the country actually needs. I'm very encouraged to hear that because I'm an example of that whereby I hate accounting; but back then the economy required accounting so I had to go into accounting even though I hated it — and I'm glad I did, by the way, no regrets.

The reason I'm raising this is because, when you look at jobs that really pay well, like the electrician, the plumbers and so forth, jobs that our people don't gravitate to, I think we need to start pushing some programmes to let people know exactly how well these jobs also pay because when the Chamber of Commerce used to do their salary survey, people would be surprised to see how much electricians and plumbers were getting paid. If our young people knew that, I think many more Caymanians would have gone into electrical and plumbing [jobs] because they paid much more than these other jobs that they thought were more prestigious.

I'm glad to see that you are focused on aligning with what the economy needs versus what someone felt they needed to do. I'm encouraged by that and I want to thank you, the Premier and Minister Isaac Rankine for what you are working on.

Thanks.

The Chairman: Absolutely. Members, I take it that as we did yesterday everyone is going to exhaust their questions so we take everything in a block vote because obviously the questions being put to me have been around a range of the outputs.

Ms. Hunter.

Mrs. Julie J. T. Hunter, Elected Member for West Bay West: Thank you, Mr. Chairman, and good morning to all. I want to say a special good morning to all the staff from the Ministry and education services.

Mr. Chairman, for further clarity. I know we spoke about the free school meals previously with Hon. Bryan, but I had a bit more clarity. I know that we've been working on the programme, but we both fielded concerns in this regard, namely the quality of the food — not so much the funding, but the quality of the food. I know it's an issue that we have been addressing in-house as a Ministry. I wonder if you could clarify for the listening public just how you are going to address the quality of the food that has been served.

The Chairman: Thank you very much, and yes, you're right. That is something that we've looked at carefully and it's really been led by parents; people sending pictures and videos and the like. It really is going to come down to, as we look at the entire programme— again, it's about the children— ensuring that dietary needs are being met, [and] we're being as healthy as possible. We use the survey tools, et cetera, to ensure that what we are actually serving is not only meeting their needs but also works for them. Yes; it is about collaboration in ensuring that everything we're doing we're putting the students at the centre.

Mrs. Julie J. T. Hunter: Thank you, sir.

The Chairman: Mr. Bryan.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: I want to give way to my Leader. He was indicating questions earlier.

The Chairman: Honourable Leader of the Opposition.

Mr. Dwayne S. Seymour, Elected Member for Bodden Town East: Don't forget me, Mr. Chair.

The Chairman: Oh, sorry, my apologies.

Hon. Joseph X. Hew, Leader of the Opposition: Mr. Chairman, you did answer the question. We're going all over the line items here and not sticking to the category, but I wanted to change the attention a bit and ask about EGA 9 which I think covers the Sunrise Adult Training Centre.

Mr. Chairman, I just want to ask. Historically, in Finance Committee, when the Chairman's subjects are up we've had the Chief Officer sit in the chair and answer the majority of the questions so that you, Mr. Chairman, can focus on chairing the meeting. It has just been the precedence. I don't know if there are any Standing Orders that cover that, but it's just something that came to my mind that I thought I'd share with you— that traditionally that is the way it has been approached in the past.

The Chairman: Precedence. There's nothing that governs that.

Hon. Joseph X. Hew, Leader of the Opposition: Okay. Just a thought.

Hon. Juliana Y. O'Connor-Connolly, Elected Member for Cayman Brac East: Mr. Chairman with your kind permission, may I just follow on from what the Leader...

The Chairman: Lady Member for Cayman Brac East.

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

Just purely from a perspective of good governance in addition to precedents that have been set, the Chair is expected to be neutral, as you have been. Once it comes to the substantial thing, usually it's the Chief Officer and other auxiliary staff who are put there. The Chairman has the right to augment or enhance anything they feel is left unattended at the time but to be the substantive responder with the questions, education or finance or what have you, leaves a slightly dim view on being the objective of the Chair, which you have been doing and I'm sure it is your intention to do. Just as a matter of good governance.

I know certainly for the almost 30 years I've been here, whoever was in the Chair will call the Chief Officer or the staff to be there; and if there was something that the Chief Officer did not know, which was very rare, but from a political perspective you didn't want the Chief Officer to answer, the Chair would have a say. It's very difficult to chair a substantive subject and be neutral to all Members of the Parliament — Government and Opposition alike. As we saw yesterday, it is not always tranquil; sometimes it gets quite turbulent.

Thank you for listening, sir.

The Chairman: Thank you very much. I was here 25 years ago when you were here as well, and I clearly remember [with] Mr. Bush when we made the switch to a Minister of Finance answering his own questions, so I can't agree that has always been the case. I can't say what has happened in the last 12 years.

What I can say is that I take the view that the Appropriation Bill clearly says Appropriations to the Minister of Education and Training, and thus the Minister of Education and Training should answer his questions and not a public servant. I don't believe public servants should be put at the political risk of answering questions from politicians; if that's been the practise, fine. I am going to maintain my objectivity and do my job as Minister, and that's certainly the way it is going to happen in the next four years.

Mr. Christopher S. Saunders: Mr. Chairman, may I ask a question please, just to make everything clear. The Constitution is clear that policy is the remit of Cabinet and Cabinet Ministers. If a question relates to policy, it has to be answered by a Member of the Cab-

inet; it can't be answered by a civil servant or a public servant. Policy is the constitutional remit.

In that case, if a question is policy-related, it must be answered by a Member of the Cabinet, in essence, a politician. If it is policy related, as you rightly said, it's either yourself or ultimately the Premier—who is the Minister for everything—to answer the question; but it has to be a Member. As you said, you cannot be putting public servants in the firing line to answer policy questions, and many of the questions we have are policy-related, at least for now.

I can understand when we get into the technical part of things like lunch programmes and so forth, a civil servant can answer those questions—like the number of kids and so forth, but in terms of general policy and strategic direction, it has to be done by the elected arm.

The Chairman: Honourable Leader of the Opposition.

Hon. Joseph X. Hew, Leader of the Opposition: I just want to make it clear, Mr. Chairman, I don't want to protract the conversation. I just brought it to your attention because questions were being asked. You have explained yourself and that is your prerogative. I just wanted to raise it. As you said, you have not been here the last 12 years. I just identified what has transpired since I've been here, 12.5 years.

The Chairman: Certainly.

Member for Bodden Town East, Mr. Seymour.

Mr. Dwayne S. Seymour: Thank you, Mr. Chair. Back to the previous discussion in terms of TVET and providers, et cetera. You mentioned, I think, Superior Auto. Is Superior Auto required to be registered under the Education Act, and if they haven't, why haven't they been registered?

The Chairman: Thank you, Member. That is actually a good question, and one that I asked upon returning to the Ministry.

No, it's not registered at present; however, it is funded with a significant sum of money for the provision of programming. It is one area that I'll be looking into as soon as we've completed these proceedings because we cannot have a country where any provisioning, especially funded by government, does not fall within that narrow band—that is, the institution has to be registered; and so it is something that I'm going to be looking into. I don't know the historical reason for why that hasn't happened up to this point, but certainly going forward, it has to get regularised.

Mr. Dwayne S. Seymour: Mr. Chair, thank you for that answer. I want to say I'm very disappointed that it hasn't been regularised because I remember going to a graduation at Superior Auto many, many years ago and I've seen some fine young persons graduated

from that programme, some who are business owners now in the said field so I thank you for that answer.

In regard to something that the Premier mentioned earlier in terms of AI protection, I wanted to mention some food for thought. Denmark is proposing a ground-breaking new law to protect people from the misuse of AI, specifically deep fakes. This legislation would give every individual legal control over their own face, voice, and body when used by artificial intelligence. It would give you full ownership of your own digital identity, ensuring that your likeness cannot be used without your explicit consent, and the list goes on.

I also wanted to mention that up to 30,000 Amazon, Target [and] Google jobs are being lost to AI—and this is something recent. We need to ensure, I know people don't like to hear the word “protect”, but I think you know where I'm going. I wanted to mention that.

Thank you.

The Chairman: Thank you very much, Member.

That is certainly an area that you're free to explore more when the Minister of Innovation is up for questioning, but I will add this for all of us: think about how many of our household devices right now have a QR code somewhere on them. I don't know how many of you have actually done it—go and scan it. Many interesting things come up like all the features and how you can fix it and how you can do different things.

Something we need to do in our provisioning across the system is getting our people ready and prepared not just for what's to come but for what's here today, because right now when someone's dishwasher goes out, it's a completely different conversation to be had; before, people had to book an appointment [and] get out to you. The next wave of technicians is going to be the people who have a phone number and you simply call once you can't solve it yourself and they walk you through it. It's that sort of being very strategic and focused about where we are today, where technology is going, but making sure that our people are kept abreast of technology and trying to get us ahead of the curve.

Mr. Leader of the Opposition, I think you missed a substantive question.

Hon. Joseph X. Hew, Leader of the Opposition: Yes, thank you, Mr. Chairman.

Mr. Chairman, I am asking about EGA 9. I think this is a new item—I couldn't find a corresponding one in the previous budget, so I thought I would ask.

In your debate you spoke to the Sunrise Adult Training Centre. I know the current situation at Elizabethan Square isn't... ideal, I guess, is the best word to use. I understand clients have to go every other day to be facilitated in that location. Could you provide

some more details on what the plans are for Sunrise Adult Training Centre?

The Chairman: Thank you very much. I was looking forward to that question.

The initial step is working along with the Sunrise leadership to demarcate an unused portion of what would be the current CIFEC site to retrofit it. Obviously, the long-term vision is a purpose-built facility. That has to be what we look at long term for the country because the clients of Sunrise absolutely, positively deserve to be in the most modern and appropriate purpose-built building to not only serve their needs but enhance their life chances...

Just a few weeks ago, it gave me much pride to go to the first floor of the government admin building while Sunrise clients were there with their bake sale, which I'm sure all of you as members at some point would have experienced. It is about true inclusion right up through adult education for those with special needs as well. We can't just provision during compulsory and not continue that continuum of care and provision; that is Phase 1.

Phase 1 will involve them being moved because you're quite right, it is an office building and certainly not the ideal setting; although I think most would agree we've been building toward better provisioning infrastructure wise. Certainly the work now has to start looking at where a location would be and what a facility would look like because that work just has to start. Funded by this budget, this is an interim measure that we believe will give a much better opportunity for not having to basically provide care in shifts as I, and I'm sure the staff would call it, but provide much more service throughout.

The other thing will be working closely with the Ministry responsible for Caymanian Employment because for too long, we continued to have Sunrise clients not be supported with employment opportunities the way they need to. I don't call names often, but I think it would be remiss of me if I didn't say how much work the Hurley's Group has done in that space; Hurley's Supermarket, the Cinema, KFC, AL Thompson's. I know Kirk Home Centre had a young man there. We need more companies coming on board for those clients who can have a meaningful and productive life. We will be working closely with the Ministry because this is an important area to the government — to the country. We have to give that voice to the voiceless. I think too many Caymanians take it for granted when they can just jump up and do whatever they want and go and move and have their being, you know. What about those who need our assistance, and for companies to have the internal mechanisms to manage them?

The other thing that Sunrise does a very good job at is having contact at the centre for everyone who's on work placement. I've seen this work up close and personal and it works; anyone who's employed

and sent out is still supported by their job placement officer so it's not like the company has to go it alone in supporting that client as one of their employees.

Hon. Joseph X. Hew, Leader of the Opposition: Thank you for that, Mr. Chairman. That's the physical plan.

On the staffing, I'm no expert in the area, but I would expect that at certain levels there is specialised training required in staffing and like in other areas there have to be ratios. Can you say whether or not the adequate staffing and training levels are at the Centre at the moment?

The Chairman: Thank you very much, member.

At present, I think there are around five or six vacancies and our HR team is working assiduously to get those posts filled — and obviously filled preferably with Caymanians. Again, we support the Centre. Just a few months ago I remember seeing a request come in for payment for training, for example, and [attending] conferences and courses. In talking to the director, it is obvious that a passion is required and we want to ensure that we build on that, and we can only build on it by supporting the staff because it is a very specialised area in provision of care, as you have identified.

Hon. Joseph X. Hew, Leader of the Opposition: Thank you. I had two questions and I'll combine them, Mr. Chairman. The five vacancies...

The Chairman: It's actually three, sorry.

Hon. Joseph X. Hew, Leader of the Opposition: Three vacancies, okay. Are they having any impact on the ratios with the clients, in particular during transportation and that sort of thing? I'll add this in so they can provide you with the answer at the same time. Is there adequate transportation for the clients?

[Pause]

The Chairman: Two things are of note. Obviously, when you have a staff complement that is this small to begin with, getting full strength of complement is critically important. The short answer is yes, any vacancy is going to have an impact. What staff has been doing is ensuring that they are backfilling and supporting other staff members and ensuring things like bus warden, et cetera are being carried out by other staff members where that might not be their normal duty. As it relates to the busing, yes; this has impacted that area, but just this week a new Caymanian driver has started and so we will be working hard to get the staffing in place and ensure that we can provision as best we can.

As I said, I want to work closely with the senior leadership team between the Ministry and the Cen-

tre to get the project completed so that at least we can start getting more people there; this, of course, would be one of those areas of critical need where we would ensure that whatever staffing is required... because health and safety and provision of care is an absolute, absolute non-negotiable around the staff in this Centre.

Hon. Joseph X. Hew, Leader of the Opposition: Thank you, Mr. Chairman. It seems as if it's imperative in that organisation that there's cross training, whereby it may be a necessity for persons holding one role there to have at least basic training in other roles.

If there are no other questions on the Sunrise Adult Centre line item, can I move on to another question?

Mr. Dwayne S. Seymour: Mr. Chair.

The Chairman: Member for Bodden Town East.

Mr. Dwayne S. Seymour: I think you mentioned something about transport. I want to go into that area. Can the Minister:

- provide a list of all approved bus contractors;
- confirm when these services were last procured and whether current contracts are in place with all providers?

The Chairman: Certainly. Member, do you want this for all contractors across the entire compulsory sector? Sunrise is internal, but you're talking now about compulsory education?

Mr. Dwayne S. Seymour: Yes.

[Pause]

The Chairman: The approved contractors are Barnes Bus Transport, district of George Town, serving John Gray High School, Cayman Islands Further Education Centre, Red Bay Primary School, Marie Martin Primary School; Smith's Transport serving the district of West Bay, Sir John A. Cumber Primary School, CIFEC and John Gray; JerNat Heavy Equipment and Transportation serving the district of Bodden Town/Savannah serving principally CIFEC, Theoline McCoy Primary School, Joanna Clarke Primary School, Clifton Hunter High School, Lighthouse School; Whittaker's Transportation serving Northward and Savannah areas; and Union Heavy Equipment and Transportation serving East End and North Side districts and the Breakers area.

Mr. Dwayne S. Seymour: The follow up was in terms of procurement.

The Chairman: Oh, right. Thank you very much, member.

The tenders for transportation were completed in December 2024 and contracts commenced on 1st January 2025 for a period of three years with an option for a further year. Two vendors did not submit bids. As the following routes were not awarded, existing contractors' contracts were extended to maintain service coverage: CIFEC from West Bay, Sir John A. Cumber Primary School from West Bay, Red Bay Primary School, John Gray High School from West Bay and George Town; and Marie Martin Primary School.

The new tender process has been completed and will be reviewed by the Public Procurement Committee (PPC) at a meeting which was scheduled to be held yesterday, actually, which will address only the outstanding routes. Once approved by the PPC, the new contracts will be awarded with an effective start date of 1st December 2025.

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

Minister, in terms of the bus wardens, I know the Premier has been very active over the years in trying to give them support during summer and winter school breaks. Regarding their salaries' former [arrangement] — or how they are managed during the summer months, has there been any fix for it?

The Chairman: Thank you very much. That is a very good question and certainly something that I am going to take away and [report in writing what pertains](#).

I think it is critically important just to give a little context that historically, this used to be a part-time job. Persons who had full-time jobs used this to supplement their income, so you worked at a store and you would get your employer to give you specific times off and you would go and either drive a bus or be a bus warden. This has developed into quite an issue over the last few years from what I can understand. My thought process is I have to look very closely at what's in the contracts and ensure that the private providers are delivering what they should be delivering under those employment contracts because in many instances, it is a private employment employee contract with the actual bus operators. It is an area that I have not been able to delve into as yet, but [I can give the commitment that it will be looked at](#).

The Speaker: Ms. Bodden, Member for Savannah.

Ms. Heather D. Bodden, Elected Member for Savannah: Thank you, Mr. Chairman. I appreciate the opportunity.

Can we circle back to the Sunrise Adult Training Centre? As you're aware, you and I have agreed that I will support the SATC through the development of multidisciplinary teams in my role as Parliamentary Secretary. During our Cabinet discussions, we've also

reviewed the proposed relocation of the Sunrise Adult Training Centre. For the benefit of this honourable House and the listening public, would you be able to provide a clearer understanding and please explain what the project will entail.

The Chairman: Certainly. What we're looking to do, as I outlined in a broader sense, I guess, is to ensure what the Honourable Leader of the Opposition outlined in his initial line of questioning, which was looking at the fact that at present, the centre is housed in an office complex in the centre of George Town; and looking at whether we could improve service provision by having an interim location and an interim step before we get to the final Sunrise Adult Training Centre which would be a purpose-built building.

You are quite right that we have had many discussions internally. I have made it very clear to Members of the Government and Caucus that this is an area that we have to be able to provision more comprehensively. At this stage, in moving to what would be the old George Hicks site, the concept and feasibility [are] to preliminarily have this initial move; however, we are going to prepare a business case that will look more fully at the long term. In the meantime, we have approved funding to sufficiently cover the design refurbishment and the full fit-out works including accessibility upgrades, interior reconfiguration, and building service improvements. This is critically important as we provision better for this population.

That's what this budget does. It is the initial step. Certainly in future years, we'll be looking then at going with a full-fledged outline business case (OBC) for a new Sunrise Adult Training Centre.

Mr. Tatum, Member for Red Bay.

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

Mr. Chairman, I'll start by saying that my heart is gladdened by what I'm hearing in terms of the improvements coming to Sunrise; extremely important work, sir, so I thank you for that.

Returning to the earlier discussion with regard to Superior Auto, you mentioned that there are substantial funds being allocated to that programme. I wonder if you could — I'm guessing you don't have the numbers today — but could you provide us with a listing, please, of those various businesses that you mentioned and the amounts that are being funded to them by government? If you don't have it here, that list could be provided in writing to us maybe on Monday.

The Chairman: Let me be clear, so that we are all very clear. The centres I listed aren't directly funded by government — they're approved centres. Persons apply and get grants. What I can do and I think that's where you're heading, is give you a list of how much grant funding has been spent with each of those centres based on students' applications, which gets you the same number you're talking about.

Mr. Roy A. Tatum: Thank you.

The Chairman: Superior Auto is one of the few that actually has a direct funding mechanism itself. For all the others, a person will come and apply for a grant and that grant could be an 'X' and then they go to that institution under a grant from the Ministry.

Member for Red Bay continuing.

Mr. Roy A. Tatum: Thank you, sir.

Returning to my list of questions, in terms of teacher vacancies, could you advise us as to what the situation is today in terms of the number of teachers that we have and any vacancies, particularly maths specialists, as I know that area is a concern.

The Chairman: Thank you very much for that question. At present, as is always the case, there are a number of vacancies and that would be due to a range of situations. You hire someone, you have a contract or an offer out, and then they do not take up the offer and you're having to re-recruit; or you have resignations, et cetera. The vacancies at present are spread across a number of our schools, and we have a total vacancy list of 56 across the Ministry; as it relates to schools, that would be 43 in total.

As it relates to your second question, which I think was around the maths specialists, I'm happy to report that we had all those filled, but we had one recent resignation. We're actively recruiting to backfill that post, but while we recruit for the permanent staff member, we have backup covering the role.

Mr. Roy A. Tatum: That's good news, Mr. Chairman.

In terms of the vacancies, a few weeks back someone mentioned to me that they thought there was a problem retaining good teachers. I don't know if that's the case or not, but I was [wondering] — is there a problem retaining teachers? If you understand the question I'm asking.

The Chairman: I have not had any reports that say we have a problem retaining good teachers. I think like any system, and one that requires and depends on a significant number of persons coming in who are not Caymanian, there is always the issue around persons' desire to return home or go somewhere else, but I have not had any complaint to me that says, *oh, we have a specific problem around retaining good teachers*.

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

In terms of seeking to get more Caymanians into the teaching realm, could you say what efforts are being made in that regard?

The Chairman: Well, as I said earlier, I mean, not only are we rolling out what I would like to call specific PR [public relations] initiatives, I think you're speaking

much more to what we're going to be doing on the ground and much of on the ground is about getting into schools, into homes, and trying to change hearts and minds; but let's be clear, as it relates to just about any profession, but especially teaching, we want people who are born to be teachers, who have that innate drive to want to teach. Teaching isn't just any vocation. I can tell the world and I've said this and I'll say it here, I could never have been a teacher — and I rarely use the word never.

You have to have a specific mental makeup. You don't just have to be someone who can go to university and do well and graduate with a degree; you have to have that very, very special makeup. We need to bear in mind the size of our system, the number of students we actually have, and the number of students who graduate every year. Then there is just a law of averages of how many will wind up not just wanting to but having the passion and drive to be a teacher.

I can tell you that we are certainly going to continue to drive and I'm not going to sit here and say that our "Educate, Inspire and Thrive" teacher campaign is the first that's ever been done in Cayman. No, it's not, because we've been talking about this for a long time, but I can say we are certainly going to continue and amp up the efforts to get more Caymanians in our schools.

Another thing that I have been very clear about with the team is looking on and trying to ensure that we come up with pathways, whether it be reverting in some instances to what used to exist decades ago, whereby if you were going to get an education scholarship to be a teacher, you had to be a teacher's aide or have some impact in the classroom to ensure that when you got back home, it was exactly what you thought it was because that's also going to have a hugely positive impact on retention. We not only want to attract and get more Caymanians in the classrooms, but ensure we set them up for success that they will have a long, glorious career in the profession so the work is going to be continuing and we are committed to getting as many Caymanians in classrooms as possible.

Member for Bodden Town East.

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

I heard you mention business cases earlier and I want to understand, in terms of EI 12 capital works, how is the Ministry engaging local contractors and supporting Caymanian participation?

The Chairman: That's a very good question. Certainly, those of you who heard my contribution to the debate and have heard me make other public utterances, know that the government and I are certainly committed to looking holistically at our procurement process and our procurement systems.

Firstly, value for money is at the core of everything that we are going to do and that cannot be compromised. We cannot continue to just accept that there is a system of the private sector price and the government price. We have things as simple as entities bidding higher for government projects purely because of how we administer payments, that is, not going the same route the private sector does in regard to things like mobilisation and being able to make government competitive. If you're not going to have mobilisation as a standard part of large projects, contractors are going to build that into their cost because they're not just going to give you their capital for free. They are not going to take on the risk of those monies having to come from overdrafts or their own capital and not put it in their risk rating and their profile and costing of a project.

The other thing you would have heard me talk about is ensuring that throughout our system, we look closely at Caymanian participation and what I have termed true Caymanian participation, that is, not just Caymanian-owned entities but persons who have Caymanian employees; and we must, we must drive this process as government. We can't ask the private sector to "Caymanianise" and do right by Caymanians and Caymanian businesses when government doesn't. We do need to ensure from where the government sits that it is part of our process that we award points to true Caymanian participation.

If one company can produce a bid and show they have ten Caymanians working and they are going to be the ones on the project, why should they not get extra points rather than some other person who puts in a bid but is going to employ three Caymanians and seven work permit holders? We must start to be serious about how we support and incentivise companies to hire Caymanians because if companies catch wind that's the new approach the government is going to use, to actually demand and reward them for that sort of behaviour, in my opinion and the Government's opinion, that's what is going to start changing the prospects for Caymanian employment — and more and deep and meaningful Caymanian employment.

It has to be about how much we can ensure that Caymanians are in work and meaningful jobs. In that way, I think that is going to be something that we are going to be able to push as a key agenda and get more Caymanian participation.

Mr. Dwayne S. Seymour: Mr. Chair, that is music to my ears. There must be some reward for companies that appreciate Caymanian workers. That's the only way we're going to get it done, and it can't work with just one Ministry; it has to work in tandem with all the other Ministries.

If I may say so, I have said a couple of things for too long and one of them is that the government was essentially creating poverty in Cayman. Some don't like the line that I go down in terms of the lowest

bid; you will probably not find Caymanians working with the lowest bid company because it normally means minimum wage. I'll stop there because I might get myself in trouble.

The Chairman: Member for Bodden Town West.

Mr. Christopher S. Saunders: Thank you, Mr. Chairman. I just have one general question with regard to scholarships.

First, I want to thank you publicly for your intervention the other day. I also want to thank the previous Minister of Education for her intervention the other day; and the previous Minister of Education for his intervention from back then.

Something I have a problem with, Mr. Chairman, on the scholarship application is Caymanian students [and] this acknowledgement letter. It's one thing when we have issues with the private sector asking Caymanians to [prove] they are Caymanians; but when they find the government doing it as well, bearing in mind that for all three of my children, each year it came up, I provided the same information to the Scholarship Secretariat as I would provide the Elections Office to prove that my child was Caymanian and would be able to vote...

I understand the policy now is that everyone has to go and get this letter of acknowledgement. I understand the National Identification (ID) initiative may actually fix that, and I don't know whether any other government department is doing it; but at the end of the day I think something needs to be done about Caymanians going over to immigration or WORC [Workforce Opportunities and Residency Cayman] to get a letter to prove they are Caymanian when the government already has all the information to know who's Caymanian.

[Desk thumping]

Mr. Christopher S. Saunders: We have access to the register of births and to just about every individual's information, but then to [have] this added step — I believe the only time a Caymanian should be going to WORC is when they are taking out a work permit for someone, so I think it is something that needs to be dealt with not just in the Ministry of Education, but across all of government; it is something that's being dealt with. I actually find it to be a very demeaning exercise.

You stepped in the last time and I publicly thank you; and the previous Minister of Education, the Member for Cayman Brac East, stepped in when I had that issue, and at one point, even Sir Alden stepped in for me when it popped up again, so I'm grateful to all three. As a sitting Member of Parliament, when I have to go and prove that my kids who were all born in wedlock are Caymanian in order to [apply for] a government scholarship, it can't work. If I feel this way, I

can only imagine how other Caymanians feel. I hope the Minister is looking at working on this shortly.

The Chairman: Thank you. Member for Bodden Town West, it's not going to make you or any other member of this Committee, or indeed any Caymanian feel any better, but I've had to do it three times as well.

Mr. Christopher S. Saunders: I pushed back all three times.

The Chairman: I get the point. I think the one thing it underscores is the nature of our population, and the fact that at this stage, who is legally a Caymanian is not something simple for many people to "prove". However, something the government is looking to ensure is that anyone who's Caymanian can be so registered at birth. As we know, there are huge complications around many of our immigration systems and this is what drives this. At the end of the day I get it, I feel it, I hear you; but we do the best we can.

Mr. Christopher S. Saunders: Mr. Chairman, I'm going to add something, and this is the side of Chris that frightens most people, when sometimes I can go places where people don't want to go.

[Inaudible interjection]

Mr. Christopher S. Saunders: No, I'm going to be polite, Premier, don't worry.

There is a culture within this country and I don't want to pit new Caymanians against indigenous Caymanians, but recognising that literally all new Caymanians have a status certificate or something to prove they are Caymanian while the indigenous Caymanian basically has nothing.

While I recognise in core government, for example, when I gave the stats earlier that less than 50 per cent of the employees across education are non-Caymanian — section 55 of the Constitution does not give politicians the right to push the hiring of certain public servants. We're limited in that regard, so I will give that one a pass and move to an area like UCCI which is run by an all-Caymanian board appointed by Members of Cabinet yet UCCI has the same struggle. I draw reference to UCCI's former president Roy Bodden's exit when he spoke about a clique, a group of people at UCCI who block Caymanians from getting into that organisation and I can tell you I have received numerous complaints of young Caymanians trying to get into the tertiary teaching of other Caymanians and the clique keeps them out.

I'm not going to get into the description of the clique though Mr. Bodden did; but I want to draw to Members' attention that such a clique, while it may only be at UCCI, [sic] exists elsewhere in other parts of government and in the private sector.

An Hon. Member: Yes, yes.

Mr. Christopher S. Saunders: That clique is determined to keep Caymanians out while bringing in their own kind. The last thing people want is legislators coming here — next month, we have a very sensitive debate on immigration, and I'm going to tell you: it is not going to be pretty.

People in this country need to understand that this Body, Members of this Body, represents people who are highly fed up of feeling like second-class and third-class citizens in their own country. Right now we have administrative jobs being done in government statutory bodies which should be held by Caymanians and this Body needs to start putting [provisions] in laws that say *some jobs need to be done by Caymanians*. As you rightfully pointed out in your contribution, Mr. Chairman, which again, I was very moved by, when you made your phone call to PricewaterHouseCoopers (PwC) you got your scholarship because the private sector recognised that, while not written in law, some jobs must be done by Caymanians.

We need to bring that back because we have many young people in university who don't want to come back home. They don't want to come back and face the indignity of not being able to get opportunities in their own country. Then people complain about Caymanians feeling entitled. Caymanians should feel entitled — this is our country. This is their country.

[Desk thumping]

Mr. Christopher S. Saunders: I am telling you at this point I am not prepared for us to continue not facing it, so I am happy when I hear what you and the Premier are saying; and I'm also happy to hear what the Member for Prospect is saying. This is something that cannot continue. If we can't get our own house in order, how can we then expect the private sector to do any better? We already got the private sector telling Caymanians, *go prove you're Caymanian*, and now government is doing the same thing? It can't continue.

I am happy you have the mindset that you do and I welcome it, and whatever we can do on this side to make it work for people, we're there with you but that clique needs to stay out of it starting with UCCI. Get our own house in order; that is what needs to be done.

Mr. Dwayne S. Seymour: Mr. Chair, piggy-backing on that and jumping right in—

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chairman, can I ask a question?

The Chairman: Member for Bodden Town East, the lady member—

Mr. Dwayne S. Seymour: Mine is going to be 10 seconds. I am hearing reports that there are non-Caymanian employees in the Civil Service who are over 70, still working in the government and being allowed to extend their contracts, so I agree with the Member for Bodden Town West — we need to start with our own house.

The Chairman: Thank you for that intervention, members. A very important element of Finance Committee and yet another classic example, I think, for why a Minister should be sitting in this chair to answer his questions and respond. No public servant can or should be expected to respond to what you just said.

Lady member for Cayman Brac East.

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

Mr. Chairman, I'd like to ask the Minister of Education how long the 43 school posts have been vacant?

The Chairman: Give me two seconds to confer.

Hon. Juliana Y. O'Connor-Connolly: If that's a serious matter, you're looking in the wrong direction, sir.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Split personality.

The Chairman: I am reliably informed that the vast majority are late resignations over the summer and we've had about three or four in October— so all very recent.

Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Chair. Can I also inquire as to whether any of these posts will be filled before midnight, December 31st?

The Chairman: What I can tell the lady member is, I will certainly ensure that the Chief Officer and the staff in the HR Unit fill those posts as quickly as humanly possible; and hopefully, if there is any we could fill before midnight tonight, I would like that to happen.

Hon. Juliana Y. O'Connor-Connolly: I'd also like to ask the Minister of Education what's the total amount of funds allocated for these 43 posts?

[Pause]

Hon. Juliana Y. O'Connor-Connolly: I should say, Mr. Chair, that's the reason I asked if they could be filled before midnight, December 31st; not on the expediency of the hiring.

The Chairman: Well, let me be very, very clear. All these posts are funded; every post is funded. Is there a question as to whether we have funding for the 43 posts? Okay, so just out of an abundance of caution,

all 43 are funded. I don't have that information right in front of me; let me see if the Chief Officer does.

[Pause]

The Chairman: I'm reliably informed that all posts are currently being backfilled by supply teachers. On top of that, as I said, the budget is there. *What I can do is get the HR Team to actually put the cost against each one of those and provide that to the Member in writing.*

Hon. Juliana Y. O'Connor-Connolly: I would be grateful to receive that in due course, sir, and perhaps get an undertaking also because, as they are supply (substitute) teachers the presumption would be that they would not be paid the same amount — the HR person here could confirm that; and whether any of those assumptions have been included into the calculation for the forecasted surplus.

The Chairman: I certainly can speak to the forecasted surplus. The forecasted surplus would be based on the HR Unit's estimate as to when the posts would actually be filled, and that would form what is our projected personnel cost through December 31st. If we project that someone is going to come on [board] December 1st, then we would put a full month for that specific post in the projections; and then, yes, it would be wrapped up in the projected surplus.

Hon. Juliana Y. O'Connor-Connolly: Can I then ask the Minister of Education what percentage, if any, was forecasted to be filled before December? That's why I asked the original question about December.

The Chairman: If the Member could give me two seconds to confer.

[Pause]

The Chairman: As the Honourable Member would appreciate, in any recruitment, that process is fluid. There are offers going out which persons may accept or deny, and therefore you have to continue down your candidate list or indeed restart the recruitment process. It is difficult to estimate the exact level of detail in terms of when those posts would be filled. What I can say is we are actively recruiting for all these posts to fill them as quickly as possible.

Hon. Juliana Y. O'Connor-Connolly: Thank you, Mr. Chair. I would expect no less based on the staff and the knowledge I have of your good self, but I would also wish to ascertain, if by chance those 43 duly funded posts cannot be filled before midnight on December 31st, that the funds would be ring-fenced and not used for any other matters without coming to this House first.

The Chairman: I think as all of us would know about how government and finances work, I would certainly commit, as other Ministers do, that we would only use a section 11(5) if it's absolutely necessary, that is, not come to this Committee with a section 12. Certainly, there would never be an instance where monies that have been budgeted for teachers would be used for something else, and then it obstructs the recruitment of teachers. If that's what the member is asking for a commitment, I can absolutely give a 110 per cent commitment.

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

Perhaps I can just ask this last one in this particular area. Are any of those 43 vacant posts for any of the three schools — well, you guys count it as two schools, maybe — on Cayman Brac?

The Chairman: Two would be for the Layman E. Scott High School and one for West End Primary School.

Hon. Juliana Y. O'Connor-Connolly: Mr. Chair, just to make sure I understood what you said. These only became vacant in summer, latest October this year.

The Chairman: That is what I've been reliably informed, yes.

Member for George Town East.

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

Mr. Chairman, I wanted to turn my attention to EI 12 and EI 46. I looked in the Plan and Estimates and I couldn't find any description of what these appropriations are going to be used for. The bigger one being the equity investment into the Ministry of Education and Training for \$21,440,000 in 2026 and \$19,400,000 in 2027. Can we get an idea of what's included in those numbers?

The Chairman: Those would cover works that would include:

- the expansion of the Lighthouse School — that OBC is due to go to Cabinet next month;
- completion of the new Cayman Brac High School;
- the expansion of the school hall at Joanna Clarke Primary School;
- phased construction and getting initial planning done for a new West Bay High School;
- initial works to look at a new school block for the Sir John A. Cumber Primary School; and, as we heard a little earlier,
- relocating the Sunrise Adult Training Centre. Those would be the major ones.

Mr. Roy M. McTaggart: That's sufficient, sir.

The other one I would ask about is EI 46 for UCCI, \$1.5 million in 2026, nothing in 2027, and I don't think there was anything in 2025... Yes, there was.

The Chairman: Thank you very much for that question. The priority projects are:

- renovation of the Sir Vassel Johnson Hall, specifically refurbishment of the restrooms and replacement of an ageing air conditioning unit to enhance health, safety and energy efficiencies;
- procurement of generators to maintain the continuity of operations in the event of power outages, a vital measure for both academic delivery and emergency preparedness;
- replacement of deteriorating ceilings and floors at the Sybil McLaughlin Hall administration building and other key facilities to improve the structural integrity and campus usability. That's what was petitioned for and we funded.

Mr. Roy M. McTaggart: Thank you.

Going back to EI 46, with regard to the new Cayman Brac High School. I don't know if it was said here but if it was, I missed it and I'm sorry; when is the planned completion date for the school?

The Chairman: Mr. McTaggart, the latest projection from the project team is that everything will be ready for occupation August 2026, in time for the school year.

Mr. Roy M. McTaggart: That's what I wanted to hear, sir. Thank you.

Mr. Christopher S. Saunders: Mr. Chairman.

Mr. Roy M. McTaggart: I have one more question and I'll be finished.

[Inaudible interjection]

Mr. Roy M. McTaggart: Thanks very much Mr. McTaggart, for giving way.

Mr. Chairman, Mr. McTaggart touched on EI 46 and I also had a question. I was trying to reconcile what was included on page 854 of the ownership agreement that UCCI had versus what was actually in the Schedule in terms of EI 46. I'll just read what it says here for ease of other members. It says, **"detailed below is information about specific financial transactions required to be included in the Ownership Agreement by the Public Management and Finance Act (2020 Revision)"**.

One of them was Equity Investments into the University College of the Cayman Islands of

\$3,949,000 in 2026 and \$10,780,000 in 2027, but I noticed only \$1.5 million was included, so I am trying to understand the relationship between those two numbers.

[Pause]

The Chairman: Member, we have a small apology to make to the Committee. The actual document that we have in the Ministry has the \$1.5 [million], so this page has an error in it. It should be just the \$1.5 [million].

Mr. Christopher S. Saunders: That's fine; that's understandable. Like I said, I was just having a problem reconciling it. I have other questions but since we're on EI 46 I just wanted to put it in. I'll come back to my other questions. You can go to other members.

The Chairman: Mr. McTaggart.

Mr. Roy M. McTaggart: One final question for me, sir.

In terms of the John Gray High School in the afternoons when school is out, there is an urgent need to have some sort of school safety officer there because of the number of vehicles travelling and kids crossing the roads. I've seen some very close situations that constituents have sent me. I'm just wondering if the Ministry can take that and really try to put some resources there to control things better.

The Chairman: Mr. McTaggart, I thank you, thank you and thank you. Yes, that is absolutely right. It is an area we're going to be working on with the school leadership team and the security company because it has been flagged as a [concern] and driving there myself, I've seen it. It gets very, very congested, especially with these food and snack vans that appear right on the sides of the road. We need to keep that area much cleaner. Cleaner from a safety standpoint because it does become much too congested and cramped.

Mr. Roy M. McTaggart: You've got cars parking on both sides. It's only one way in and out. I appreciate it, sir. Thank you.

The Chairman: Thank you. *I can give that as an undertaking that we will look to get that improved.*

Lady Member for Cayman Brac East.

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

I'd like to ask the Minister of Education how much of EI 12, approximately \$40-plus million over the two-year span 2026-2027, is to cover the construction of the North Side Primary School.

The Chairman: Thank you very much for that question. I see the Minister of PLAHI smiling, so he's very happy that the question got asked.

Hon. Juliana Y. O'Connor-Connolly: I guess it got voted for yesterday.

[Inaudible interjection]

The Chairman: Very true.

At present, there is \$1 million in 2026 and \$1.5 million in 2027 to ensure we get through the initial works and initial planning stages because the view of the Ministry is we would want to be able to move on that project in the next budget cycle.

Hon. Juliana Y. O'Connor-Connolly: That's absolutely fine; it is needed. My full support for the ones that you call "the block" similar to what you had built at the, I call it, West Bay Primary School and the new high school. Obviously, Savannah needs its hall. I'm not quite sure what extent plans, I think they need a full hall with the additional land there.

For North Side being a growing [district] — and the Minister has done many, many things to ensure it; it is probably giving competition to my good friend John John in being the fastest growing district. In four years' time, they'll have to demarcate the electoral boundaries due to the number of houses and improvements that he's making in North Side, so I would concur that it should be a matter of priority. Knowing the Minister as I do, it was not a Freudian slip when I said it was already voted for.

Mr. Dwayne S. Seymour: Mr. Chair.

The Chairman: Sorry, Ms. Hunter. Member for West Bay West.

Mrs. Julie J. T. Hunter: Thank you, Mr. Chair.

Can I just circle back to human resources? Mr. Chair, when we first took up office, we reviewed the school inspectorate reports for all the schools and, as you know, one of the many areas of focus was leadership and management. Over the summer, the Ministry of Education and Training made changes to the school leadership, and in doing so, we saw increases in the number of Caymanians taking up leadership roles. I know we all are very, very happy about this; this is why I really want you to explain it.

Can you share with the Committee and the listening public the number and the rationale behind all the new leadership roles that have been filled by Caymanians starting this school term?

The Chairman: Thank you very much. I certainly want to go on record publicly and thank the lady members for West Bay West and Savannah for agreeing to be Parliamentary Secretaries within the Ministry of Education. I think their interventions have been good and

are only going to get better as we roll out and continue to develop their roles.

We are very, very proud of the number of Caymanians who continue to rise up the ranks in our schools. I think most Members of the House would know, just through going to graduations that we have Ms. Patricia Forbes taking up the principalship at John Gray High School — it's the first time in a long time that we've had a born Caymanian leading that school.

At the Edna Moyle Primary School which we were just talking about, Ms. Lauren Campbell, supported by Ms. Kerry-Ann Grant; at the Marie Martin Primary School, Ms. Erica Greenidge-Daniel, supported by Ms. Elitia Vassell; at the Theoline McCoy Primary School we have Dr. Pearlyn Henry-Burrell taking up the principalship; so it has been an exciting time for us as a community as we continue to have Caymanians progress through because it's important, not just when recruiting new Caymanian teachers.

I'm sure all of you as members of this Committee would agree that when younger teachers see Caymanians reach the principalship level that too, can be very inspiring to keep and retain more and more Caymanians in the profession.

Mrs. Julie J. T. Hunter: Yes, thank you. That was my thought process as well.

The Chairman: Thank you.

Mr. Dwayne S. Seymour: Mr. Chair, a question.

The Chairman: Member for George Town Central.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Thank you, Mr. Chairman. We've passed numerous areas on which I have questions, so forgive me if I'm all over the place. I've been trying to intervene but have been unable to catch your eye.

For clarity, I think you answered a number of questions about plans to build new facilities. Holistically, can you say what the government's intention is on building new school properties, listing them out for me, please?

The Chairman: New school...

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: New school facilities.

The Chairman: I did cover this in my answer to the Member for George Town East a few minutes ago. In this budget we are looking at Lighthouse School and it's going to receive the biggest source of funding.

As I just said to the lady Member for Cayman Brac East, we are going to start the preliminary planning works around a new school for the District of North Side, and then we're looking at a number of specific projects on school campuses which would

include the Sir John A. Cumber Primary School; relocating the Sunrise Adult Training Centre; the initial works to look at feasibility and location for a new West Bay High School — because location is key on this one; and a new hall at the Joanna Clarke Primary School.

Those are the main ones that are included in provisioning for this budget, and I certainly look forward to getting these works done and then turning my attention to the next budget when we can continue building out, as the lady Member for Cayman Brac East alluded to, more and more of those new and modern classroom blocks because as you would know, they've had hugely important and positive impacts on the campus, for example the Marie Martin Primary School. That is the idea behind new school blocks because once they're built, you can demolish the old buildings and once you do it in a phased approach, you wind up with a brand-new school over a number of budgets.

Are there any other questions?

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Yes, Mr. Chairman, I was just waiting for you to finish.

Speaking of campuses and upgrades, are there any plans for George Town Primary? I was pleased to hear — I think the Leader of Opposition said so — that there was a new playground added to George Town Primary. [I'm] saddened that I was not informed of this being the Member responsible, but can they give us any updates on the play area in respect to George Town Primary due to the fact that the only play area they have is the artificial turf which is not conducive for child's play, I must say. It's on the football field.

My last meeting with the education officials, I know the Chief Officer wasn't there at that time, when I requested upgrades of the lands at the back end of the property to put a play area, particularly for the younger kids utilising the land better, especially considering the fact of the extension of the road behind it where land could be increased to the back space. Can you or your Chief [Officer] tell us what is happening by way of upgrades there.

Also, last time I asked about the flooding assessment. I think there was some information supposed to be relayed back to me about the full complement of it; I don't recall having received it.

[Pause]

The Chairman: Thank you very much for that question, Member.

As it relates to the playground, I am going to have to get an update on exactly what the state of play is on that, no pun intended; but in regard to the drainage, work has already been undertaken in regard to enhancing the deep well system around the school

and certainly that would be monitored as we go forward to ensure its adequacy.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Thank you, Mr. Chairman. I look forward to the follow-up in respect to the playground area and I would like to encourage the Ministry that if anything is happening at the George Town Primary School I be made aware of and informed about it, and included in the updates. I think it would be wrong for them to leave me out as the [Elected] Member; as well as the Leader of the Opposition — the representatives for the two main constituencies that are impacted by that school.

Moving on now, Mr. Chairman. In an answer to the Member for Bodden Town West you spoke about the Caymanians applying for scholarships having to prove that they are Caymanian by way of this acknowledgement certificate. You also said that we are currently starting to address it particularly at birth. I am very happy to hear that because it's something I've been trying to address since I was Minister, particularly being the Minister for the National ID Programme under which we spoke about this matter.

One of the things that came up in the meeting for the immigration presentation was how are they going to address this area? You are saying that the government is currently doing that in the new proposal — can you explain how, please?

The Chairman: Oh, I didn't say it is in the new proposal for the National ID. The National ID system—

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: You said with the immigration changes.

The Chairman: What I said was, we've had discussions in Caucus as to working closely — namely HSA, all the hospitals that deliver children in the country, and our system at the Registrar — at least where it's definitive that someone is a Caymanian as of right, to try to start capturing that data going forward because otherwise, we will always play catch up with this process and we will never ever, ever get there.

That has been the discussion; it is what we need to now drive forward, and I'm sure all members of this Committee, and certainly anyone listening, would greatly agree with that as an initiative that we have to, have to do.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: In that vein then, let me possibly assist you, Mr. Chair.

In the proposed changes there's a component in clause 7 [sic]— I'm not getting into immigration too much, but I think it's important that you hear this because you'd want to, to help assist with the proposal— whereby [there are] options for sharing data with relevant agencies to help the immigration system. I was quite surprised that within the proposed entities high-

lighted for information sharing to accomplish exactly what you're talking about — proving that a person is Caymanian — the one area that is not listed is the register of births.

They've got the Royal Cayman Islands Police Service, Customs, Director of Public Prosecutions, Department of Children and Family Services, [Department of] Community Rehabilitation, Health Insurance Commission, Portfolio of the Civil Service, Department of Commerce and Investment, the department of government responsible for administrative services, which is basically the civil service corps, [and] the government agency responsible for training and development. The one area they need most information about is Caymanians who are born. How in the world is WORC ever going to be able to tell someone about a child if they can't share the information with births.

I know it wasn't a priority because I told them when I was Minister; then they brought the amendments without the listing of the births. This Minister would never be able to do that job so I encourage you — and if that sounded like a little rant it was, but it needs to be added to the Amendment Bill that is coming before this House on December 10th. That will help you with the problem we just had.

I can happily move to my next question now, sir.

The Chairman: Thank you.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chairman, can you list the known after-school programmes that the education ministry is working with?

I ask because I would like if your Ministry would reach out to all of them in light of the Central Scranton Park coming online, hopefully in January or February, for that facility to start taking shape. I don't want to wait till it's open before we start organising these things. I'm very happy that collectively, the government, particularly the Minister; the administration I was a part of, and myself got this park almost to completion now, but we have to start planning these things far [in advance] so they start taking effect as soon as the park is open.

Is there a list of agencies, particularly with after-school components like Read for Life, Homework Club, or anything such, that your Ministry is willing to sit with me whereby we can work together. This infrastructure which we spent a lot of money on is now going to be available, so we can start announcing the programmes to the children of George Town and the greater Cayman Islands to say, *after school Monday to Friday these things are going to be available*.

The Chairman: I heard you make a very peculiar statement. Are you going to be taking up a Parliamen-

tary Secretary post with the Ministry of Works because you did say *work with you*?

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Oh, the hypocritical—

Mr. Chairman, Mr. Chairman... *today is Friday, I not in the mood; I not into the games*. You are the Government that said you want to work with the other side; now you're being sarcastic by saying, *oh, you looking to be Parliamentary Secretary*, and I'm not in the mood. I really just want this after-school programme to get up and going. Please, just do me a favour: let's focus on the positive. I want that park to be functioning for all the Cayman Islands kids so...

I'm not in the mood for that, please.

The Chairman: The Ministry does not have a central repository of all after-school programmes; however, I can commit and give the Member an undertaking that we will ensure that all schools, school leaders, and indeed, the current national afterschool programme provider are aware of the facility; the facility's uses, and the benefits of using the facility because that's what we're trying to get at — proper use of the facility and ensuring it's maximised because that's what we should be doing with everything we expend public money for. Agreed?

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Agreed, 100 per cent, sir.

I would like to offer my working relationship with your Ministry to ensure the good people of George Town Central, George Town, and the great Cayman Islands as a whole, have the opportunity to access that youth centre. I would love for you to be willing to partner, as Parliament should, to get that functioning. I hope that you accept and I hope to hear from one of your staff about us planning for that facility to be up and running with some positive educational opportunities for our youth in after-school programmes. Is that a fair request?

The Chairman: Fair.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Will you accept?

The Chairman: Accepted.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Thank you. All right, moving on.

The Chairman: Can we now take the vote since you're in such a good mood?

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chairman, no, not yet. We still got a long way to go.

Mr. Chairman, I've had an opportunity to go through your whole budget and I've noticed there has been an increase over the two-year period from the last two years — I'm not saying is a bad thing — of \$36.9 million.

I did hear in the Premier's contribution as well as yours that education continues to be a central focus for the country, quite like [it was for] my former Premier. I'm so glad to hear of all these investments in these new facilities — when she started the Cayman Brac High School there was so much controversy about it; but time will tell and the Lord is watching.

[Inaudible interjection]

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Anyway, that being said, can you just give us an overview of the additional \$36 million? What is going to be different?

[Inaudible interjection]

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Parliamentary Secretary (PS) Hunter, you have something to say, ma'am?

The Chairman: Member for George Town Central—

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: I wanted to give way to her if she was going to say something, sir.

The Chairman: No; that's fine.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: No? Okay.

Can you give us an overview of the \$36.9 million increase in the budget from what the previous administration had and what key areas it entails?

The Chairman: Well, as I started out by saying, I think it was the line of questioning from the Member for Red Bay and PS Hunter, one of the things that we're obviously doing is looking to continue the uplift on funding of ECAP because that's critically important. We also want to ensure that everyone understands this, but in phase one we're going to continue and double down on that investment as the term progresses.

Also, as you would be aware, when you compare budget-on-budget, there would be the impact of a 5 per cent COLA and of course, with this being the largest Ministry, the biggest portion of that is to fund that 5 per cent increase. That's a significant portion. I don't have the numbers to hand, but I can get back to those in a minute and that's a huge portion of the additional funding; however, we also have, of course, any sort of increased expenditures.

As we bring new facilities on, there is going to be an uplift of the operating cost because you don't just open a new facility like the new Cayman Brac

High School and not ensure you put in place the proper preventive maintenance programme right up front. Many people think, *well, it's a new building; you don't have to do anything*; no, you have to invest right away to ensure the life of that building is maintained, and you can then avoid big costs down the road.

When you look overall, those are some of the key drivers to our increased funding; then, of course, when you look at a number of the — I'm not sure what numbers you were looking at there, whether that included some of the capital or not, but of course we —

[Inaudible interjection]

The Chairman: Okay, there you go. That would sort of round out where many of the increases would have been coming from.

Are there any other questions?

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Yes, Mr. Chair and this is my last one for now. I don't know if anything is going to bounce up later on, but in respect to this round —

The Chairman: Which round, because we have agreed —

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: I don't know if any other member is going to ask any questions, is what I mean.

The Chairman: No, I think other members have indicated that...

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: They're ready to vote?

The Chairman: They look like they're ready to vote.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Okay. Well, in that case, maybe this might be the last question. I don't know.

Mr. Chairman, while examining the training component, there were some provisions under WORC before — and training and education are key. As you know, I'm the shadow Minister for WORC so naturally, in preparing for this budget I would have gone through his budget as well and I noticed, under his WORC budget and descriptions, that when it came to training, all the training components that were there before under the former Minister, have been taken away.

The honourable Dwayne Seymour had a tremendous training programme which helped with career counselling, workforce readiness, assessment training and other employment initiatives, getting them ready for work particularly when it comes to labour, working with key stakeholders, supporting development, implementation of the national technical vocational education training (TVET), national apprentice-

ship programmes and national internship programmes — all of those have been taken away from that Ministry; thus the budget for his Ministry reflects a large decrease. I think there's a whopping \$5 million less than that particular line item used to have.

Can you confirm that all training from a labour perspective has been moved to you, or have they just been taken away from labour altogether, which is work readiness, which is what labour kind of does too, you know, when they identify persons who may have restrictions. I can happily present you with the old budget statement and the line item description for that training which used to be under that Ministry [versus] now that such description has been taken out if you want to see. I just want to know if it went over to you or did it stop altogether.

The Chairman: You spoke earlier about the increase in the budget Appropriation to the Ministry of Education. That is yet another driver for that increase, so yes, the National Training and Development Unit has been transferred to the Ministry of Education and Training; so they look at the compliance end of labour, and we focus on the education and training end, so all our pathways can be hemmed up and under one roof.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Thank you so much. Is that the only reason why those training programmes have been moved from that Ministry?

The Chairman: Yes.

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

[Inaudible interjection]

Mr. A. Roy Tatum: No, I have two questions, Mr. Chairman.

The Chairman: Member for Red Bay.

Mr. A. Roy Tatum: Thanks, Mr. Chair. I know it's past lunchtime and members are probably hungry, but the vast majority of the questions that I had have been answered — Lighthouse School, school infrastructure and various others. I have two; I'm piggy-backing on some questions asked earlier when we were discussing classrooms.

One of the issues I raised during my SPS debate, Mr. Chair, was the need that I saw at Red Bay [Primary] whereby they had youngsters in need of SEND [Special Educational Needs and Disabilities] assistance off in the corner of a library or partitioned in a part of a library. They were making do and I take my hat off to them, but I understand that in other primary schools there may be a dedicated, more private classroom, where that can be done. I'm asking whether something could be done to assist Red Bay with addi-

tional funding or to find some dedicated space there for them to do what I understand Prospect School and others do.

The Chairman: Thank you very much for that question, member. Something that I have to say we are going to continue to do as I now engage and embark on my full school tours and visits, and engagement with all the senior leadership and teachers across all schools, is looking to add whatever what I would call small capital projects that might have impact on schools.

Also, as you heard earlier, we're already looking and targeting a number where some needs were obvious as you've just pointed out in terms of new school blocks, et cetera; but again, it is with that focus. Where facilities interfere with optimal teaching and learning, we try to ensure that we address the facilities in a comprehensive manner to ensure those spaces are appropriate. I can't speak specifically to Red Bay as you're speaking of, but we've made a note of it because I would want to see it for myself also.

Mr. A. Roy Tatum: I appreciate that, sir. As you may recall, I did raise it during my SPS debate as well. I thank you for that.

The other matter that you could look at, I understand this also impacts Prospect. We were discussing playgrounds earlier and as you do your tour just have a look at the lack of facilities. In some of the play areas, they do their utmost best. In one area at Red Bay, there's one swing — one swing for I don't know how many children looking to line up to swing.

I'm working with someone on the PTA [Parent Teacher Association], whom I believe may have someone in the private sector to part-fund some playground equipment; we will probably know by January. I'm not sure if I can rely on that. If you could also look at the need for playground equipment at Red Bay when you do those tours, I'd be grateful, sir.

I look forward to hearing back something from you on that. It is needed badly.

The Speaker: Okay. We certainly will look at that and of course, I do look forward to the official tour of Red Bay, which I know, God willing, you'll be joining me; so we'll be able to see those things together when we're there.

Mr. A. Roy Tatum: Excellent. Thank you, sir.

The Chairman: Any other questions?
Member for Bodden Town East.

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

I've been informed [that] the buses have been stopping [along] the Linford Pierson Highway and the East-West Arterial Road, which apparently is dangerous. Just to report that persons thought the buses

should go into the side roads for pick up and drop off. I'm just relaying information that has been passed on to me.

The Chairman: We certainly will make a note of that and work with the bus contractors.

Member for Bodden Town West.

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

Mr. Chairman, I would just like to draw your attention to page 876 of the Ownership Agreement with the University College of the Cayman Islands. I have two questions on that page. I'll give you a chance to get up to speed there.

The first question deals with donations. I suspect it's just a matter of being conservative because it's very difficult to budget for donations. I'm just checking if that's the reason why that number is what it is.

The Chairman: Yes, sir.

Mr. Christopher S. Saunders: Okay, I figured as much. I just raised it to bring attention to members in the private sector, that UCCI *does* accept donations so if companies want to be good corporate citizens, when they are applying for their work permits and they want to talk about wonderful things they have done for Caymanians, to help Caymanians, they can say, *by the way we included a cheque for \$500,000 to UCCI to help*. I just want to put it out there to corporate members in Cayman that UCCI accepts donations which go very far in helping many Caymanians.

With that said, Mr. Chairman, I'd like to move to my second question on that page. It deals with the cost of "health care other". As you can see, for 2024 that figure was \$277,000; for 2025 it jumped up to \$1,499,000, then for the 12-month budget for 2026 it's basically just under \$2.1 million, and for 2027 just over \$2.1 million. I was curious as to how that number moved from \$277,000 in 2024 to basically \$2.1 million in 2026-2027 and if there's an explanation for such a massive increase.

[Pause]

The Chairman: Thank you for the question. The answer is that a decision was taken by the previous administration to bring health insurance parity to UCCI. They were on a SHIC Plus plan and this was to move them to a full plan covered by CINICO.

Mr. Christopher S. Saunders: Okay, so for the record, they are covered by CINICO. The reason that jumped out—

The Chairman: Yes, I see the misalignment of the line.

Mr. Christopher S. Saunders: Okay, good. That's really what caught my attention; so if they can just fix that so you know it is CINICO. All right, cool. Thanks.

Mr. Dwayne S. Seymour: Mr. Chair.

The Chairman: Lady Member for Cayman Brac East.

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

I would like to ask the Minister of Education if he would undertake to look into the bus situation as it relates to the primary schools on Cayman Brac. It is not a new item, I've been asking and from what I was able to ascertain it seems — [and] perhaps you might be able to get some more information — that some of the parents, mainly the West End Primary School parents, didn't want their children bussed. What it does is put the Creek Primary School and Spot Bay Junior School at a disadvantage in that many of the parents there have to go into Stake Bay to work and they will not accept the children before 8 o'clock in the morning, so it causes difficulty in that regard. For some reason, some children seem to be bussed from those schools in the evening but not in the morning. It ranges from not being able to find a driver... I'm not quite sure.

If you could undertake to find out exactly what obtains. If one school doesn't want it — the Honourable Minister is here; he can also check it. I would certainly like to see it for all, in particular Cayman Brac East because some children are at that age, in particular at the Creek school, from nursery to Grade 2 or so, if memory serves me right. They're very young, and bad things happen to good children.

The Chairman: Point taken and heard very loud and clear, lady member. *Certainly, we will undertake to find out the exact details and get the situation rectified and ensure that we share that information with both Members for the Sister Islands so that we're all on the same page and everyone is happy with the solution;* then let's roll it out, because I get what you're saying.

Mr. Dwayne S. Seymour: Mr. Chair.

The Chairman: Member for Bodden Town East.

Mr. Dwayne S. Seymour: While we are on the topic... I don't think this was answered. Did you do a feasibility study on the possibility of providing bus services for private schools?

The Chairman: There's been work done in this area. I know there's been a survey sent to parents. I also spoke to the Minister responsible for transportation to get some background information, so there's been work done in this regard.

Certainly, the government is committed to re-igniting that piece of work and engaging with school leaders at private schools. The reason is quite simple: this school year the public schools and private schools did not start on the same day, and there was a noticeable difference between the day that public school resumed and when public and private combined. That's not a scientific survey or study by any means, but certainly, I think it's informative to have seen such a dramatic shift over a period of two days, so we do need to go back and look at this.

Something that we've talked about is perhaps looking at a multi-pronged approach to this where government could start and lead by example, where we say that public officers, for example, who do not have children in schools, perhaps get a different start to their work day. We go back and encourage the private sector where they don't have frontline staff who they need for the opening to customer face for their business to perhaps consider the same thing.

Also work with private school leadership and see if we can come up with an agreed approach to busing because for the longest time all of us have seen that once school is not in during the summer or when they're out for Christmas, there are no miles-long traffic lines. We see what the driver is for the traffic, and it's no coincidence that it just peaks and reaches a standstill when schools are all in. We need to undertake that work quickly and my view, and the Government's view is we ought to try a multi-pronged approach because it certainly can't make it any worse.

We need to do this and see what impacts it can have because I think in doing that, we can come up with some solutions to alleviate the traffic congestion from the Eastern districts coming into George Town, in particular into the school district area.

If there are no further questions.

Mrs. Julie J. T. Hunter: Mr. Chairman, I don't have a question but a point of clarity, because I've gotten questions on this; I just want you to let the listening public know and the House as well.

You know that I have a very keen interest in the schools in West Bay. There are questions surrounding the site in relation to the proposed new West Bay High School. Can you explain why we have not had a definitive decision yet on which site we will be using?

The Chairman: That's a very good question.

There have been a number of persons who have had certain reservations around what was the original site, which was going to be what we used to call the Old Scholars Park and where the five-a-side court used to be. Of course, we know that the Jimmy Powell Cricket Oval is just behind that site. Then there's been one or two pieces of property that have been acquired by private sector persons since that time that actually negatively impact using that site; so

we do need to now take another look and ensure that we can map out what can reasonably be held on that specific piece of property.

What I can say is that I've spoken to the Minister of Sports because I do believe that given its proximity to the Ed Bush Playfield, there's now a proposed new national rugby facility that's going to be in that area; Future Football Club has certain land in that area that they don't believe they're going to be using in the future. All of this needs to be put in the mix so that we can now ensure that we are game planning and planning this out for the optimal site for wherever we're going to actually put what would be the third high school in Grand Cayman.

Lady Member for George Town West.

Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker, Elected Member for George Town West: I know you're dying [for this] to end. Thank you, so much. I'm sure this is the last question.

Is Government committed to funding the bus programme for the private schools?

The Chairman: That would be a part of the overall conversation that we have to have in the discussion that we have to have around bussing. I don't want to say yay or nay until we've actually had those discussions. I want to have the discussions first and then be able to think this whole thing through.

Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker: Okay, thank you so much. You can imagine how impactful that's going to be for Caymanian families, hence my question.

Thank you, Mr. Chair.

BLOCK VOTE: APPROPRIATIONS TO THE MINISTER FOR EDUCATION AND TRAINING

EGA 1, EGA 2, EGA 4, EGA 5, EGA 6, EGA 7, EGA 8, EGA 9, CCO 1, CDB 1, NGS 25, NGS 34, NGS 79, NGS 91, NGS 96, TP 27, TP 30, TP 51, TP 82, TP 83, TP 93, TP 94, OE 11, OE 12, EI 12, EI 46

The Chairman: Noted.

Since there are no other questions, I would presume that we would be in agreement to take the vote in block as we did yesterday on the Appropriations to the Minister for Education and Training.

- EGA 1 - Policy Advice, Governance and Ministerial Support Services, \$7,757,313 in 2026 and \$8,637,670 in 2027;
- EGA 2 - Employment Support Services and Scholarship Administration, \$3,050,322 in 2026 and \$3,072,857 in 2027;
- EGA 4 - Public Library Services, \$2,523,665 in 2026 and \$2,566,492 in 2027;

- EGA 5 - Primary Education Services, \$45,899,904 in 2026 and \$46,901,614 in 2027;
- EGA 6 - Secondary Education Services, \$51,099,943 in 2026 and \$52,689,814 in 2027;
- EGA 7 - Education Services for Students with Special Needs, \$13,433,329 in 2026 and \$13,721,316 in 2027;
- EGA 8 - Facilities Maintenance and Operational School Support Services, \$34,834,280 in 2026 and \$34,974,908 in 2027;
- EGA 9 - Training and Support for Adults with Disabilities, \$3,166,943 in 2026 and \$3,218,693 in 2027;
- CCO 1 - Teaching of Tertiary Level, Professional and Vocational Programmes \$13,293,567 in 2026 and \$13,651,904 in 2027;
- CDB 1 - Disbursement of Government Scholarship Funding, \$45,000 in 2026 and \$45,000 in 2027;
- NGS 25 - Teaching of Tertiary Education Courses, \$250,000 in 2026 and \$250,000 in 2027;
- NGS 34 - Compulsory Primary and Secondary Education by Assisted Schools, \$2 million in 2026 and \$2 million in 2027;
- NGS 79 - K-9 Security Services, \$22,000 in 2026 and \$22,000 in 2027;
- NGS 91 - Public School Meals Programme, \$9 million in 2026 and \$9 million in 2027;
- NGS 96 - Extended After-School Programme, \$1,500,000 in 2026 and \$1,500,000 in 2027.

Transfer Payments:

- TP 27 - Pre-School Educational Assistance, \$2,100,000 in 2026 and \$2,100,000 in 2027;
- TP 30 - Local and Overseas Scholarships and Bursaries, \$32,300,000 in 2026 and \$32 million in 2027;
- TP 51 - Other Educational and Training Assistance, \$900,000 in 2026 and \$900,000 in 2027;
- TP 82 - Scholarships – Special Educational Needs, \$3 million in 2026 and \$3 million in 2027;
- TP 83 - Scholarships – Medical Specialisation, \$329,000 in 2026 and \$317,000 in 2027;
- TP 93 - Public School Grants, \$400,000 in 2026 and \$400,000 in 2027;

- TP 94 - Superior Auto Apprenticeship Programme, \$150,000 in 2026 and \$150,000 in 2027.

Other Executive Expenses:

- OE 11 - Subscription to Caribbean Examinations Council, \$560,621 in 2026 and \$560,621 in 2027;
- OE 12 - University of the West Indies Membership Levy, \$16,377 in 2026 and \$16,377 in 2027.

Equity Investments:

- EI 12 - Ministry of Education and Training, \$21,440,000 in 2026 and \$19,400,000 in 2027;
- EI 46 - University College of the Cayman Islands, \$1,500,000 in 2026 and nil in 2027.

Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker: You said that was an error, Mr. Chair — wasn't that supposed to be \$1.5 [million] in 2027?

The Chairman: Pursuant to Standing Order 83(3), I put the question as to whether honourable members approve all the items listed on the Schedule to form a part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

Agreed: All Appropriations to the Minister for Education and Training passed.

The Chairman: I want to thank all honourable members for all the questions. It is certainly a healthy part of our democracy whereby we have to ensure that all public moneys, all parts of the budget, receive scrutiny from this very important committee. I want to thank my Chief Officer, the deputy chief officers and all members and staff from the Ministry, the Department, Sunrise Adult Training Centre, [and] UCCI for attending today's Finance Committee proceedings.

On behalf of all members, I wish all of you success as we look to deliver impact to our children from the funds as allocated in this budget.

Mr. A. Roy Tatum: Mr. Chair... I thought you were finished, my apologies.

I just wanted to join with you, sir, in thanking your team for being here. I really appreciate it, as did all the members of the Opposition. Thank you all.

The Chairman: Thank you.

This meeting of Finance Committee shall be suspended for the lunch break. It is now 1:30pm,

members; would we agree that we come back at 2:30?

[Inaudible interjection]

The Chairman: Okay. Finance Committee is suspended until 2:30.

Committee suspended at 1:37pm.

Committee resumed at 2:50pm

The Chairman: Honourable members and witnesses, let's reconvene this meeting of Finance Committee. Please be seated.

APPROPRIATIONS TO THE MINISTER FOR FINANCE AND ECONOMIC DEVELOPMENT

FED 1 – Policy Advice, Governance and Ministerial Support Services

The Chairman: Members, we will now recommence the proceedings of Finance Committee, and we open questions on the Appropriations to the Minister for Finance and Economic Development beginning at FED 1 - Policy Advice, Governance and Ministerial Support Services. Are there any questions or should we take a block vote?

Mr. Christopher S. Saunders: Mr. Chairman.

The Chairman: Member for Bodden Town West.

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

Mr. Chairman, I want to start out by recognising something that has been done in this country that represents Caymanian excellence. Last week in your presentation, and also in the Premier's remarks, we spoke about the steps that Jamaica took with regard to parametric insurance and recognised the initiative taken by the previous Minister of Finance, Dr. Nigel Clarke, in terms of updating parametric insurance for Jamaica.

I would like to bring to members' and the public's attention that among the first companies in the world to offer parametric insurance to customers is our very own CINICO right here in the Cayman Islands — and I think that in itself is an achievement.

[Desk thumping]

Mr. Christopher S. Saunders: Additionally, Mr. Chairman, CCRIF [Caribbean Catastrophe Risk Insurance Facility], right here in the Caribbean, also offers parametric insurance and is one of the first international bodies in the world to offer such insurance

ahead of countries in Europe, North America, Africa, and elsewhere.

I want to thank Michael Gayle, who is the CEO of CINICO, not just for his foresight but for his intelligence and his knowledge of the insurance industry. While we ourselves have our own challenges, there's much work to be done. I know you spoke about setting up the ministerial committee to deal with insurance, Mr. Chairman, and I look forward to working with you on that; but, from a public standpoint, I wanted to recognise Michael Gayle and his team at CINICO for the work they have done in expanding insurance coverage for our people and offering our people something.

I wanted to start on that positive note before we get into anything else.

Thank you, Mr. Chairman.

The Chairman: Thank you very much, Member for Bodden Town West.

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

The Chairman: It's a Friday afternoon and since we're off to such a positive start, I hope it's a sign of things to come in recognising the excellent team and the excellent support staff we have here across the Ministry; so if we could proceed with the questioning and just go with each line item. I'm sure we will be out of here very efficiently and then on to matters that I am sure you might want to question more after me.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chairman, firstly, I want to piggyback on my colleague's contribution. He is right to highlight the CINICO lead team for their implementation of such a notable transformation of our insurance offerings; but what he will not tell you, Mr. Chairman, because he's not a man to toot his own horn, is that I recall — and Minister Jay, Minister Kathy, and even the Premier and former Premier would probably remember — talking about the reform they wanted [for] CINICO when we were in Cabinet together. I'm certain that the lead at CINICO would also agree that it was the Member for Bodden Town West's support as Minister, to think outside the box and allow our CINICO to expand on what our former [member] Gilbert McLean started many moons ago. I just wanted to highlight that and congratulate him for his input as a Member.

That being said, Mr. Chairman, are we going to start with the revenues component as you indicated or no?

The Chairman: I don't have it in front of me, so if we can just start and go through the appropriations. It really doesn't matter which way it goes because whatever questions members have, they will have. If you could just start off until I get the statement in hand.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Okay, thank you so much, Mr. Chairman.

It is important, as the Minister responsible for the financial and revenue measures of this Administration, particularly with the historical budget that is transformative as you categorised it, that we first understand the revenue strategy to cover the \$2.5 billion budget that we are about to finalise. Maybe you want to start off by giving us an outline specifically on what areas this Administration intends to increase in order to facilitate the revenue projections to cover the cost of this Administration.

Details of New Revenue Measures for 2026 and 2027

The Chairman: Members of Finance Committee, I indicated and distributed the draft statement that would be read here at Finance Committee and I have it. If we could have the final statement distributed to all members...

Honourable members of Finance Committee, Government does not introduce revenue measures lightly. Governments by nature prefer to create the conditions for growth and opportunity rather than to impose additional financial obligations; however, responsible fiscal management requires us to face realities head-on and make measured, sometimes difficult, choices to protect the country's long-term financial health.

In recent years, honourable members, the country has faced growing fiscal pressures from rising global inflation, increased costs of critical infrastructure needs, and the expansion of public service demands. It is against this backdrop that the Government has carefully reviewed the balance between revenues and expenditures, and determined that targeted, well-designed revenue adjustments are necessary to ensure the continued delivery of essential services and the sustainability of our public finances.

Honourable members, before finalising the new revenue measures, the Government engaged in discussions with stakeholders, especially those in the financial services industry. We listened carefully to their feedback and made adjustments where appropriate to ensure that the measures are realistic, proportionate, and do not compromise Cayman's competitiveness as a leading International Financial Centre. This collaborative approach reflects our governing commitment to partnership, transparency, and maintaining confidence in our fiscal and regulatory environment.

Honourable members, for the upcoming Budget, the Government has introduced new revenue measures in 2026 and 2027. These measures are carefully designed to strengthen our fiscal position, maintain compliance with the Framework of Fiscal Responsibility (FFR), and reduce the risk of future

deficits as global economic pressures and local demands continue to rise.

Honourable members, details of the revenue measures are as follows:

1. Bank and Trust Licenses increases will yield an additional \$1.9 million in 2026 and \$3.25 million in 2027:
 - a. licensees with assets between US\$1 billion and US\$3 billion, the annual fee increases from \$1,000,000 to \$1,200,000 in 2026 and to \$1,500,000 in 2027; and
 - b. licensees with assets exceeding US\$3 billion, the annual fee increases from \$1,000,000 to \$1,500,000 in 2026 and to \$1,750,000 in 2027.
2. Insurance Licence Fees will increase to yield an additional \$0.7 million starting in 2026 as follows:
 - a. Domestic Insurance license fees will increase from \$9,500 to \$10,450;
 - b. Captive Insurance license fees will increase from \$10,500 to \$11,550; and
 - c. Reinsurance license fees will increase from \$13,500 to \$14,850.
3. Exempt Companies fees (under the Trade and Business License Act) will increase to yield an additional \$1.17 million in 2026 and 2027 with the annual fee increasing from \$800 to \$12,500.
4. Annual operational licence fees for accounting firms will yield an additional \$3.48 million in 2026 and 2027 as follows:
 - a. Licence Fee for firms with 6–10 accountants is being removed. This fee was previously \$20,000;
 - b. Licence Fee for firms with 11–15 accountants will increase from \$40,000 to \$50,000;
 - c. For firms with 16–20 accountants, the licence fee will increase from \$60,000 to \$75,000;
 - d. For firms with 61–70 accountants, the fee will increase from \$200,000 to \$500,000;
 - e. For firms with 71–80 accountants, the annual operational licence fee will increase from \$400,000 to \$600,000;
 - f. For firms with 81–90 accountants, the fee will increase from \$400,000 to \$700,000;

- g. For firms with 91–100 accountants, the fee will increase from \$400,000 to \$800,000;
 - h. For firms with 101–110 accountants, the fee will increase from \$400,000 to \$900,000; and
 - i. For firms with 111 or more accountants, the annual operational licence fee will increase from \$400,000 to \$1,200,000.
- 5. Special Economic Zone Trade Certificate fees will increase to yield an additional \$0.3 million in 2026 and 2027, with:
 - a. The initial application fee increasing from \$123 to \$500;
 - b. The Annual Renewal Fee increasing from \$492 to \$750; and
 - c. Amendment Fees increasing from \$50 to \$250.
- 6. Fund Annual Return (FAR) Filing Fees will increase to yield an additional \$11.1 million in 2026 and 2027, with:
 - a. Mutual Funds fees increasing from \$300 to \$450; and
 - b. Private Fund fees increasing from \$150 to \$225.
- 7. The introduction of an annual \$100 fee for Exempted Limited Partnership and Corporate Service Providers Fees is estimated to yield an additional \$4.1 million per year.
- 8. The introduction of a Virtual Assets (Service Providers) Fee is estimated to yield an additional \$0.3 million per year; and
- 9. Increases to Registration and Annual Company Fees are estimated to yield an additional \$20.3 million commencing in 2027 with:
 - a. Registration fees increasing by \$100;
 - b. Annual fees for Exempt Companies increasing by \$200; and
 - c. Annual fees for Other Companies increasing by \$100.
- b. For law firms with non-Caymanian affiliates, Practising Certificate Fees will increase from \$2,500 to \$7,500; and
 - c. For law firms with Caymanian affiliates, fees will increase from \$2,000 to \$2,500.
- 11. The one-time Admission Fee for non-Caymanian Attorneys will increase from \$2,000 to \$10,000.
- 12. Law Firm Operational Licence Fees - Firms with 6-25 attorneys will not change. These fees are currently at \$20,000 per annum — Members, please note that any firm with up to five attorneys does not pay a licence fee.

[Inaudible interjection]

[Long Pause]

The Chairman: Honourable members, let me repeat that for the record; my apologies.

Honourable members, with respect to new revenue measures related to the Legal Profession, these measures are estimated to yield an additional \$10.2 million in 2026 and \$6.3 million in 2027. These increases are expected from the following sources:

- 10. Practising Certificate Fees:
 - a. For in-house counsel, will increase from \$1,000 to \$2,500;
- 13. Law Firm Operational Licence Fees:
 - a. For firms with 1-10 attorneys, licence fees will be nil;
 - b. For firms with 11–15 attorneys, licence fees will increase to \$50,000;
 - c. For firms with 16–20 attorneys, licence fees will increase to \$75,000;
 - d. For firms with 21–25 attorneys, licence fees will be \$200,000;
 - e. For firms with 26–30 attorneys, licence fees will be \$250,000;
 - f. For firms with 31–40 attorneys, licence fees will be \$300,000;
 - g. For firms with 41–50 attorneys, licence fees will be \$350,000;
 - h. For firms with 51–60 attorneys, licence fees will be \$400,000;
 - i. For firms with 61–70 attorneys, licence fees will increase to \$500,000;
 - j. For firms with 71–80 attorneys, licence fees will increase to \$600,000;
 - k. For firms with 81–90 attorneys, licence fees will increase to \$700,000;
 - l. For firms with 91–100 attorneys, licence fees will increase to \$800,000;
 - m. For firms with 101–110 attorneys, licence fees will increase to \$900,000; and
 - n. For firms with 111 or more attorneys, the operational licence fees will increase to \$1,200,000.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chairman, not to cut your statement, but I know they are sending electronic versions of it; in the interest of accuracy, you may want to make the adjustments to the file before they send it to us so we can get rid of these paper copies.

The Chairman: We will do.

14. Increases in Court Fees are estimated to yield an additional \$0.1 million per year; and

15. Increases in the Court's Website Recovery Fees, are estimated to yield an additional \$0.1 million per year.

Honourable members, with respect to the new revenue measures related to Immigration, these measures are estimated to yield an additional \$15.4 million in 2026 and \$17.1 million in 2027. These increases are expected from the following sources:

16. In relation to Work Permit-related Fees:
- a. Most administrative and amendment fees for work permit grants, continuation, and dependent additions will increase by 150 per cent to 400 per cent, with the standard work permit administration fee increasing from \$100 to \$500;
 - b. Temporary work permit fees will increase by 150 per cent to 200 per cent, depending upon the income band; and
 - c. New annual and express work permit fees are going to be introduced, ranging from \$100 to \$300, based on the level of the main work permit fee.

17. In relation to Permanent Residency and Caymanian Status Fees:

- a. There will be new or increased fees for permanent residency holders, including:
 - i. New dependent fees, which will increase from \$500 to \$750 per dependent per year; and
 - ii. The annual declaration filing fees for permanent residency holders, increasing from \$100 to \$500.

b. Right to be Caymanian applications and grants are also going to increase:

- i. The grant fee for the Right to be Caymanian by marriage, will increase from \$1,000 to \$3,000;
- ii. The grant fee for the Right to be Caymanian by naturalisation will increase from \$1,000 to \$5,000; and
- iii. The fee for the Right to be Caymanian granted by the Governor in Cabinet will increase from \$1,000 to \$5,000.

18. In relation to Residency Certificates:

- a. The issuance fee for a Residency Certificate for Persons of Independent Means will increase from \$20,000 to \$50,000;
- b. The issue fee for a Certificate of Permanent Residence for Persons of Independent Means will increase from \$100,000 to \$200,000; and
- c. The application fee for Direct Investment Certificates will increase from \$20,000 to \$50,000.

19. Other Immigration Administrative Fees will also increase:

- a. Routine items such as document copies, duplicate certificates, and re-entry permits will increase by 100 per cent to 150 per cent; and
- b. Business Visitor Permit fees will increase by 250 per cent to 600 per cent, depending upon the category.

20. There will be an introduction of an annual national identification fee for work permit holders that is estimated to generate additional revenue of \$1.5 million.

21. Honourable members, there are plans to increase Special Economic Zone Fees, which are estimated to yield an additional \$7.0 million per year.

22. Honourable members, with respect to the new revenue measures related to Stamp Duty on Land Transfers – these measures are estimated to yield an additional \$11.7 million in 2026 and \$11.2 million in 2027. These increases are expected from the

Stamp Duty rate on the sale of property of CI\$2 million and above, increasing to 10 per cent.

23. Honourable members, the new revenue measures related to Local Companies Control Licensing (LCCL) Fees for Realtors and Developers are estimated to yield an additional \$260,000 in 2026 and 2027:

- a. Real Estate licences increasing from \$12,500 to \$15,000; and
- b. Property Developer licences increasing from \$12,500 to \$20,000.

Please note in respect of LCCLs, a decision has also been taken to place a moratorium on the issuance of new licences in these categories.

[Desk thumping]

The Chairman:

24. New revenue measures related to Liquor Licensing Fees are estimated to yield an additional \$1.6 million in 2026. These measures involve:

- a. Fees for Distributors increasing from \$4,800 to \$25,000;
- b. Liquor Licence fees for Hotels:
 - i. with 50 beds or fewer, fees are increasing from \$2,000 to \$5,000
 - ii. with 51–100 beds, fees are increasing from \$4,800 to \$10,000
 - iii. hotels with 101–199 beds, fees are increasing from \$4,800 to \$15,000
 - iv. with 200–299 beds, liquor licensing fees are increasing from \$4,800 to \$17,500;
 - v. hotels with 300–399 beds, fees are increasing from \$4,800 to \$20,000; and
 - vi. hotels with 400+ beds, liquor licensing fees are increasing from \$4,800 to \$25,000.
- c. Liquor Licence fees for Restaurants will increase.
 - i. For those with fewer than 50 seats, from \$1,500 to \$3,000;

- ii. restaurants with 50–99 seats from \$1,500 to \$5,000;
- iii. restaurants with 100–199 seats from \$1,500 to \$8,000;
- iv. restaurants with 200–299 seats from \$1,500 to \$10,000; and
- v. restaurants with 300-plus seats from \$1,500 to \$15,000.

25. Traders Licences will increase to yield an additional \$1.1 million in 2026 and 2027. These measures involve:

- a. the licence fee for property developers with 15 or fewer employees increasing from \$750 to \$10,000;
- b. the licence fee for property developers with 16 or more employees, increasing from \$750 to \$20,000;
- c. the licence fee for real estate agencies with non-Caymanian agents, increasing from \$750 to \$10,000;
- d. the licence fee for self-employed Local Companies Control Licence holders increasing from \$750 to \$10,000; and
- e. the Traders Licence fee for Accountants, including auditors, actuaries, bookkeepers and statisticians, increasing from \$2,000 to \$2,500.

26. Finally, honourable members, motor vehicle drivers' licences, motor vehicle charges and private and rental vehicle licences for non-Caymanians will increase to yield an additional \$9.6 million in 2026 and 2027. These measures involve:

- a. For driver licence fees for heavy equipment and special vehicles for non-Caymanians:
 - i. A 3-year licence will increase from \$120 to \$750;
 - ii. A 5-year licence will increase from \$200 to \$1,250; and
 - iii. A 10-year licence will increase from \$400 to \$2,500.
- b. For driver licence fees for motor-cars and trucks up to 3 tons for non-Caymanians:

- i. A 3-year licence will increase from \$75 to \$600;
 - ii. A 5-year licence will increase from \$125 to \$1,000; and
 - iii. A 10-year licence will increase from \$250 to \$2,000.
- c. For driver licence fees for motorcycles (both under and over 125cc) for Non-Caymanians:
 - i. A 3-year licence will increase from \$75 to \$600; and
 - ii. A 5-year licence will increase from \$125 to \$1,000.
- d. For driver licence fees for trucks over 3 tons, and buses up to 25 passengers for Non-Caymanians:
 - i. A 3-year licence will increase from \$120 to \$750;
 - ii. A 5-year licence will increase from \$200 to \$1,250; and
 - iii. A 10-year licence will increase from \$400 to \$2,500.
- e. Vehicle Licence Fees for non-Caymanian-owned private vehicles:
 - i. For cars up to 2,500cc, the licence fee will increase from \$180 to \$200; and
 - ii. For cars over 2,500cc, the licence fee will increase from \$200 to \$225.
- f. Vehicle Licence Fees for Non-Caymanian-owned rental vehicles:
 - i. for cars up to 2,500cc, the fee will increase from \$365 to \$400;
 - ii. for cars over 2,500cc, the fee will increase from \$400 to \$500; and
 - iii. for rental trucks (4,001–8,500 lbs), the fee will increase from \$500 to \$600.
- g. Vehicle Licence Fees for Non-Caymanian-owned trucks and trailers:
 - i. for trailers up to 2,000 lbs., the fees will increase from \$50 to \$75;
 - ii. for trailers 10,001–66,000 lbs., the fees will increase from \$420 to \$430; and
 - iii. for trade plate holders, the vehicle licence fees will increase from \$1,408 to \$1,600.

Honourable members, the vast majority of the new revenue measures I just outlined are not intended to put further burden on the ordinary Caymanian. They are primarily concentrated in areas where the economic activity and capacity to absorb such costs are strongest, in particular, within the large, internationally-focused segments of our economy. In addition, with respect to some of the fee increases mentioned in the commerce space, there is ongoing stakeholder consultation so they are not hard and fast and are therefore subject to adjustment, either up or down.

At the same time, honourable members, these new revenue measures are sustainable and ensure that the needs of our people are being met; that the Government continues to invest in the infrastructure, healthcare, education, housing, and public safety services that directly benefit our people.

Honourable members, these decisions are not about raising revenue for its own sake; they are about maintaining balance between growth and responsibility, between opportunity and sustainability. The Government remains firmly committed to fiscal prudence, transparency, and fairness in everything we do.

I wish to thank all honourable members for listening attentively to that very brief statement, and I now—

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

The Chairman: Honourable Deputy Leader of the Opposition and Member for George Town Central.

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

I appreciate the outline of the Government's revenue measures as I asked in respect of the first line of questioning. I first have to say that, particularly when it came to the debate— we don't want to go through the whole debacle of lack of contribution, not from yourself, but through majority of the Government with respect to the SPS and the budget. This kind of information is what we would like to have heard to be

able to debate; I don't know whether it was strategic not to say these things during the debate in order for us to comment on them, but we are here now.

If you would allow Mr. Chairman, I must say that, coupled with some other things that we realised, such as fee increases in other areas outside of these revenue measures, I am concerned the cost of living for many Caymanians is going to go against what you have said — *not intended to further burden ordinary Caymanians*. I think it is going to be quite difficult for us to stop that based on some of these fees, not all. I want to share some questions that will probably highlight that.

I want to first start with one that I think is going to affect many Caymanians, which is the one to do with the drivers' licencing not from the perspective of cost [but] the legality of it, which I am very excited to hear about, namely, you can charge non-Caymanians a different price from Caymanians— because we've tried this before, particularly when it comes to Caymanians and non-Caymanians being able to fish. I am happy to see the Attorney General (AG) is here. Maybe he can give some support to the necessary legal framework to support this approach — which I'm in agreement with; but I was always of the understanding that you couldn't discriminate from a nationality perspective, which I didn't agree with. I would love to hear where the legal support comes from to distinguish the fees, which leads to my second point, but I'll stop there and wait for a response.

Every Caymanian listening today, *it about time unna go get unna papers sorted out now*. We talked earlier about Caymanians having to prove they are Caymanian. You know how many people have a driver's licence? Wait till they go to pay and they say, *I don't want to pay that price*, and DVDL [Department of Vehicle and Drivers' Licensing] says, *well, prove you're Caymanian*. I want to hear how DVDL is going to distinguish whether or not they're Caymanian, because that will be the next headache.

Anyway, I'll stop there and wait to hear about the legality component before I move on to my next question.

The Chairman: I would call on the Honourable Minister responsible for DVDL who will be able to outline how this is implementable.

[Pause]

Hon. Johany S. Ebanks, Minister of Planning, Lands, Agriculture, Housing & Infrastructure, Elected Member for North Side: Mr. Chair, through you.

Seeing that the Member has brought in the DVDL... We are in talks right now with the legal team on that opinion on how we structure that going forward. We'll be happy to give the Member [that] opinion.

I mean, I would think that if his concerns, if he's worried about the Caymanians [and] fees going up for Caymanians... we did say that we would not make any fees go up on Caymanians and we did that from yesterday. I know the question is coming back and we did say yesterday, too, that the fees would be changing. If he's happy, once we have that opinion from the Attorney [General's] Chambers we will be able to share it with him.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chairman, I thank the Honourable Minister and I understand the probable surprise to be able to have the right answers to this, but it's not coming from the perspective of the Caymanian being affected other than them having to have their proof that they're Caymanian; that's going to be the headache for them, not the cost.

What is important is the ability to deliver every single one of these projections. If you are not certain they can be delivered, it's going to affect the revenue projections with a government that already has very small margins for surplus so every one of these better be concrete. The question is, when is this coming into play in order for you to get the revenues that you have outlined for... my apologies, Mr. Chairman. I think a total of \$9.6 million worth of revenues from non-Caymanians for motor vehicles?

If you are not sure of the legality of it yet, it could be the difference in whether you have a deficit or a surplus — and when is it supposed to be implemented, is it not January 1st, Mr. Chairman?

The Chairman: Yes, honourable member.

In regard to the implementation, can the Minister speak to the database on which he made a presentation to Caucus in regard to the fact that your department is already capturing nationality data?

Hon. Johany S. Ebanks: Mr. Chair, through you.

I don't have the numbers directly in front of me, but I can give you an approximate average of what it was. It was somewhere close to 50,000 people who were not Caymanians who had a driver's licence; and I think just around 16,000 Caymanians who had a driver's licence.

We have already started to break down the data into how many of those are Caymanian and how many are work permit holders. We are actually in the process of getting the legal opinion on how we move forward with that data; if the Member is concerned about the numbers and how it works, I'd be happy to put the legal opinion to him in writing as soon as I have it from the Attorney General.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chairman, I don't want to belabour this point, so I'll just say we could take this off air. I think the importance of what I've asked has already been

aired, and I know the Minister will do everything he can to ensure he can fulfil the request for these revenues. I'll leave it there. Minister, we can talk off air and [you] provide it for me afterwards.

Mr. Chairman, if you're okay, I can go to a different question on the presented fee increases. Is that okay?

The Chairman: Certainly.

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

Mr. Chairman, you highlighted a point of raising the fees for persons who are married to Caymanians. I want to categorically say today that I do not support it because such an increase is on the Caymanian also, because there's a partnership in any marriage.

Granted, we have a severe problem with marriages of convenience, but I think the proposed changes by the Honourable Minister of Caymanian Employment, with the discretion being available for the Director of WORC to capture these marriages of convenience, are enough. Not further cost deterrent to families because yes, we may not like the non-Caymanian component, but we got to start remembering there's a Caymanian on the other side of that who maybe has found their partner and is not happy with that \$1,000 moving to \$3,000.

I know when we say marriage, the first thing they think of is a marriage of convenience, but there are people out there who are actually in love and found their partner who is non-Caymanian and I think that's a direct burden on them so I want to make it categorically clear I do not support it — especially considering the Bill hasn't come before the House yet; it shouldn't have been considered in your revenue measures. That's my opinion.

That was a comment, not a question, but here's a question. Have you spoken to the Small Business Association on the liquor licence fees for these small restaurants and bars?

The Chairman: Honourable Premier.

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

At the end of the statement, it makes reference to ongoing consultation that's happening right now because the categories I'm concerned with the most are the lesser categories; the larger establishments we can see by the data [they] should be able to afford it, but we're in consultation with the Small Business Association now, so that is still flexible.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Thank you so much for that, Premier, and that's good to hear because you definitely want to consult. My concern then is, obviously, these figures

have already been calculated and put forward as a part of this budget for it to be balanced based on what we're saying that we're projecting — a \$10 million surplus next year — so they are already considered. I don't understand the still negotiating part.

The Premier, Hon. André M. Ebanks: We feel that there's still room in the larger categories to offset if we have to decrease the smaller ones, so it'll still balance off.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: All right, thank you. Great answer; that satisfies that question.

The other question is in respect to real estate. Have you spoken to the Cayman Islands Real Estate Brokers Association (CIREBA) about the potential impacts of the stamp duty increases? I'm assuming they're all going to come into effect in January.

The Chairman: Member, we have taken the advice from our team in the Lands and Survey Department and looked at market data and what obtained historically in what used to be called Zone A.

Certainly, as you would imagine, most of us do have persons across various industries who we would consider experts in those industries and we can feel very, very comfortable that CI\$2 million, which is around US\$2.5 million, is not the market in which average Caymanians would purchase. We feel very comfortable that for an asset class that has outperformed most major indexes over the last 20 years, that is, Cayman Islands real estate, on a transaction from \$2 million and up where we're moving from 7.5 per cent to 10 per cent which means it's approximately a \$50,000 increase on a \$2 million transaction, we do not see any real material risk of these fees not being able to be sustained in the market.

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

Can I move on to the national identification fee? I'm assuming all these fees are outlined to be able to support this budget's requests and the surpluses intended for 2026 and 2027, which is Year 1 and Year 2 of the budget. The fees for the national ID, by which you intend to raise \$1.5 million worth, are starting on January 1st, correct? Are you saying that the National ID Programme is going to be in place on January 1st?

The Chairman: The national identification as outlined is a work permit ID, so perhaps the phraseology may not have been the most convenient. This is returning to the old work permit ID that used to exist that was discontinued years ago, not the e-ID.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Got you, okay. That makes total sense. I

take that back. I'm assuming there are provisions already in WORC for them to just print a regular ID and later on we'll be transitioning to the national ID.

The Chairman: Yes.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: All right, thank you so much. That's good news; it means that money will come in.

In respect of the practising certificates for accountants, have you spoken to the Cayman Islands Institute of Professional Accountants (CIIPA)?

The Chairman: The proposals for accountants and for lawyers have come from both associations. They were the actual architects.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Got you, all right. That answers that question. I'm almost done, Minister.

If my memory serves me well, there was an agreement for the special economic trade zone upon which they would operate with special provisions. I'm not sure I would have agreed with them from before, but I'm happy to see they are going to be paying their fair share; I'm questioning the legality of it because I think they were structured under an agreement. Can you explain how we got to that?

The Chairman: Member, you would be quite right.

I call on the Honourable Premier to answer the question directly but just for historical context, these zones started in 2010 when the economic conditions were very, very different and we were looking to go to the UK and get a budget approved, so the UK insisted on a wide range...

In fact, the lady Member for Cayman Brac East would have been in Cabinet with me at the time and she would quite clearly remember, I'm sure, those painful days of having to have negotiations with the FCO to get budgets approved. Something they insisted on was diversifying our economy beyond tourism and traditional financial services; this is where the special economic zones concept was born — and you're quite right, member, they are contractual in nature. However, as you can imagine those contracts are nearing completion. The Premier can give the details on how this will be operationalised.

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

Through you, you're absolutely correct about the historical context. Moving forward, not only are we in discussions and negotiation with them on the extension of the agreement for the fees, but also different businesses that didn't exist when this was first in agreement. As part of that overarching comprehensive discussion, they've agreed to the fee that's there. You're right, two changes will have to happen: one is

contractual in their updated agreement, and one in regulations.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Thank you so much; perfect explanation.

Can I quickly go to the tourism component — and colleagues, I know I've taken up much time, I just want to make sure because all the questions I have for my good Minister are only on the finances.

I'm concerned about the effects on the tourism product. The fees for liquor licences are minimal, so I'm not worried about that; but I do recall seeing in the revenue component that our revenue is going to go up by 10 per cent and it's either the fees are going to increase or we're going to have a 10 per cent increase in our stayover tourism — not cruise, because this is room accommodation taxes. I don't see anything here for the room accommodation tax increase, so I have to assume the projections are that the tourism product is going to increase by 10 per cent next year and by 11 per cent, almost 12 per cent, the following year. Is that what that means?

The Chairman: My understanding is that not only is there a projected increase. If I'm remembering correctly from the market data they're getting, [and] I'm sure you will recall, normalcy is starting to return and people are staying a little bit longer but the Minister can give his detailed explanation.

Hon. Gary B. Ruddy, Deputy Premier, Minister of Tourism & Trade Development, Elected Member for George Town South: Thank you for that, Member for George Town Central. The tourist accommodation taxes are not being increased.

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

The second part of the question is, I'm assuming there's intention for a very large increase in stayover as a result. I'm just trying to understand... I was going to ask you later on but because it's a revenue component, I'm trying to deal with it now. Our coercive revenue — I keep mispronouncing that so forgive me audience — is moving from \$44 million to call it \$49 million, so that's a \$5 million increase which is over 10 per cent; and then \$49 million the following year which is about 11 per cent. If you're not increasing the fees, but your money is going up by 10 to 11 per cent it must mean you expect more. Is that what you're saying — that projections are expected to go up by that amount?

Hon. Gary B. Ruddy, Deputy Premier: Member for George Town Central, also factor in the opening of the Grand Hyatt Hotel and ONE GT.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: *Gotcha*, okay. Thank you, that answers that

question. I will stop there and allow my colleagues to ask other relevant questions — oh, I didn't touch on the banking fees but it is obvious as to what they are.

I'll close by saying this, Mr. Chairman, I think your intention is obviously genuine [in that] you are hoping this does not affect the average Caymanian, but I think that some of these fees *will* touch the average Caymanian and small businesses. Some of those work permit fees for small businesses, the banking fees... the banks are going to pass on those costs to the average person. The increase in the insurance licencing fees; insurance fees for Caymanians are very high, but that's just a minimal cost. Even if they were to spread it across everybody, it would be minimal, but there's going to be an added cost overall.

In my humble opinion, though I would say most of this could be seen as "won't directly hit the Caymanian", there are many of these on here that... and tie that on to the increase from the Water Authority with the government's position of not trying to increase cost on the average person. I'm not sure that this tax package that you've put forward will ultimately do that. That's just my humble opinion, but time will tell.

Thank you, Mr. Chairman.

The Chairman: Thank you very much, Member.

Having been around in 2010 when we had a revenue package that made this pale in comparison, history has proven that those measures provided an economic and a fee revenue wave that this country has ridden on for the better part of a decade-and-a-half. When you look at those particular measures, there was minimal impact on the average Caymanian so I feel very confident that we are using the same approach as last time.

Any other members have any questions on FED 1?

Member for George Town West.

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

Pertaining to work permit fees; 15(a), does that include temporary and renewal amendments? It just identified work permit grants. It reads "**amendment fees for work permit grants**" but it didn't say work permit renewals or temporary amendments.

The Chairman: Member, can you point me to the relevant page and what item you are looking at?

Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker: Page 6, 15(a).

The Chairman: Your specific question is whether this applies to renewal of work permits?

Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker: Renewal. It just had work permit grants, not re-

newal of work permits nor temporary work permits for amendment fee.

The Chairman: Minister of Caymanian Employment, can you assist with that very specific question?

Hon. Michael S. Myles, Minister of Caymanian Employment & Immigration, Elected Member for Prospect: Mr. Chair, I'm actually looking at the fee structure now, so if you can give me some time to do that.

The Chairman: While the Minister looks, I saw Mr. Tatum.

Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker: I have another question.

The Chairman: Go.

Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker: Regarding 15(b), temporary work permits again, "**will increase by 150 per cent to 200 per cent depending upon the income band**". We know work permit fees are dependent on the titles. What does the income band consist of? What does that mean? Are the criteria going to change now?

The Chairman: Again, I will revert to the Honourable Minister to give additional information.

Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker: To save time, I can get it in writing if he chooses to, but I have one last question.

Right to be Caymanian 16(b), the fees that are impacted are through marriage, naturalisation and the Governor in Cabinet; so am I to conclude that the Right to be Caymanian through descendant and the Right to be Caymanian through a surviving spouse and continuation will not be impacted by these fees?

The Chairman: Those are very specific questions. In the interest of time, could we agree as a committee that as we have not heard from the Minister as yet, we could have him make note of those and provide them in writing; and when he appears before the Committee we deal with them then.

Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker: I'm fine with that. Thank you, Mr. Chair.

The Chairman: Thank you for your consideration.
The Member for Red Bay.

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

I want to go on record with my colleague in terms of the concern of such huge increases to the Right to be Caymanian through marriage fees. I also share the concern on the driver's licence aspect because as I read it I looked at my own driver's licence

and nothing on it said that I was Caymanian, so I am pondering how DVDL would do that. I'm hearing now that there's a database with some 50,000 *[sic]* individuals who are identified as being Caymanians.

I'm curious as to what the source of that database is, and how can we be sure that the individuals in it are actually Caymanians?

The Chairman: It was the other way around. The category with 50,000 was non-Caymanians and therefore they are broken up between work permits and permanent residents; not Caymanians.

As I understand it, based on the presentation by the Ministry's technical staff at Caucus, they were able to generate a report built on information they have been capturing in their database. Obviously, something that caught our attention was the fact that perhaps we need to see what sort of data sharing might be able to exist within the confines of our legal framework, because I — I think all of us and even the Minister — were a bit surprised at the level of detail that department had been capturing over the years.

Mr. A. Roy Tatum: Mr. Chair, just to ensure I understand. If I show up to renew my driver's licence as a Caymanian, they will vet that I am not on this list of non-Caymanians so to speak and use that...

The Chairman: As I understand it, yes.

Mr. A. Roy Tatum: Thank you.

If there's more information coming at some point, we'll be happy to receive it because it is slightly confusing. Thank you.

The Chairman: Members, are there any further questions on FED 1?

Member for Bodden Town West, Mr Saunders.

Mr. Christopher S. Saunders: Mr. Chairman, I can tell you right now you wouldn't get any argument from me in terms of raising the fees on the bank and trust licences; the only problem I have is that the fee is too low.

[Laughter]

Mr. Christopher S. Saunders: No, no, no. Colleagues, here is the problem I have with this and I've said this before about these numbers... as per CIMA, in 2024 just the Class A banks with physical real estate space generated US\$986 million in revenue and US\$752 million in profit, so an additional \$1.9 million out of \$752 million profit is nothing. Then an additional \$3.25 million of \$752 million, again, is nothing.

Mr. Chairman and colleagues, I also think we need to look at ways of incentivising Caymanian employment — and I'll give you an example. If you look

at the Labour Force Survey for 2009, we had a total of 33,917 people employed across Cayman; of those, financial services employed 3,185. In 2024, the total labour force went up to 59,393 while the total number of people employed in financial services was 3,916; so the labour force went up by 25,476, yet the financial services only employed an additional 731 persons.

While I'm at that, Mr. Chairman, for the listening public and members who like to complain about government, back in 2009, — again, this is as per the Economics and Statistics Office (ESO) Labour Force Survey — the total government was 5,050. Despite the rise in the population, Central Government went down to 4,214, so at the same time the population was growing and people were complaining about the size of government, the core Civil Service actually went down from where it was in 2009 as per the ESO report.

The part that really triggered this thinking Mr. Chairman, is on page three in section 4 that deals with the annual operating licence for accounting firms. I am not going to get into the numbers, but here's the principle of it — and Mr. Chairman, you would have recognised this; we introduced local audit sign-off that made a ton-load of accountants filthy rich overnight. Very rich.

[Inaudible interjection]

Mr. Christopher S. Saunders: Yeah, very richer.

[Laughter]

Mr. Christopher S. Saunders: Equally, Mr. Chairman, those very same accounting firms turned around and started outsourcing much work that should be done in Cayman to jurisdictions with cheaper employees. We can't sit here having people at the top becoming very rich while the banks, financial services and accounting firm jobs that were the middle-class jobs are basically being shipped out of this country.

Mr. Chairman, you would have known; the entire fund accountants' industry was literally wiped out because these guys chose to go to cheaper jurisdictions. We have the same now with banks where they make a ton load of money in Cayman but the jobs are being done elsewhere. You can't even get customer service to answer a phone in Cayman; you are going to make hundreds of millions of dollars in profit, yet the Caymanian people can't get [a job].

My proposal is, Mr. Chairman, going back to the banks: rather than looking at the assets, I would base it on revenues. The more money you make, the more you give back; then you start putting in certain rebates. Based on your percentage of Caymanian employees; based on the percentage of work that's being generated in Cayman as an organisation, we

then give you back some rebates so you encourage companies to employ Caymanians.

The same has got to be done for accounting firms. The government hires many accounting firms. The Partner comes in and he presents and the team presents, and they win these bids but then the job is being sent to other countries around the world. We are taking taxpayers' money, thinking they're representing a Caymanian company, and the money is basically going straight through the back door.

Mr. Chairman, the one thing that you may not have picked up in your budget — I've said it before and I will say it again to remind people: this is one of the first budgets outside of when I was there where we have positive jaws, whereby the percentage increase in revenues is greater than the percentage increase in expenses. That in itself is actually pretty good because colleagues, I can tell you, the day when that number goes the other way around, our country is heading in the wrong direction so, overall, this is a positive step.

Like I said, there are a few adjustments we need to make, but at the end of the day, we also need to incentivise [companies] so I would tell you to put a fee on them that they will feel, and then incentivise them to hire Caymanians and pay them well. Outside of that, we still need to come back, as I just said, and rebuild the middle class; and the jobs that rebuild the middle class are the very areas where we're taxing and we need to find the carrot and the stick to get our people employed and get them paid really well.

For the banks, \$1.9 million extra on US\$752 million in profit? I'm sorry, they need to be paying more; we need to structure this a little bit more creatively and then offer them some rebate. That's my two cents with it. Like I said, we need to charge them more.

The Chairman: I recognise the Honourable Premier.

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

The Member for Bodden Town West is correct. To give you some background, because I was going to pick up this point when the Member for George Town Central mentioned that this could get passed on to the consumer. I don't see how. We were in complete consultation with the Bankers Association to say, *based on your balance sheet, you could clearly afford this*; so I cannot see under any circumstance... If we find out this now gets passed on to the consumer, we'll need to have heavier measures.

In addition to that, there's a live issue with one of the Class A banks that's centralising whereby Caymanians are losing jobs. I called the management this morning and I said, *I urge you to reconsider this. I understand automation* — the Member for Bodden Town East talked about Amazon, it's happening all over the world; *but with your resources you have to be able to*

figure out how you could reintegrate them into the operation somehow and if that cannot be done, give them extensive severance packages and work with us on how we're going to place them. It cannot be acceptable to put people out the door in two weeks with the balance sheets that you have.

This set of fees, okay, you say it's short notice, we'll help you stagger it over a couple of years because there's something missing from the statement, that it goes up again in 2028, but in the meantime, I'd be happy to work with you for other ways in which to generate revenue from them because remember after the last meeting we talked about the exchange rate.

Mr. Christopher S. Saunders: I was just about to say the Foreign Exchange rate.

The Premier, Hon. André M. Ebanks: Let's work together in 2026, because this is just the opening salvo. We have a revenue gap to close, but there are other ways in which we can incentivise employment and real substance and generate other revenues at the same time.

Mr. Christopher S. Saunders: Thank you very much, Premier. I look forward to working with you on that.

The Chairman: Members, at this stage we're approximately six months in, and as the Premier said, whilst the fee increases are not going to be satisfactory in form or structure across the board, we are committed to looking at them in different ways that have not been in the past. I think for this budget, this is where we are at. This is what we are recommending to the Committee, but [we do have a commitment that we will see whether there are additional areas and different structures that we need to look at.](#)

As of right now, we have to get an Appropriation Bill in place so we can legally spend come the stroke of midnight December 31, 2025; but point taken, Member for Bodden Town West that yes, we do have to look more creatively and have those carrot-and-stick to incentivise certain other behaviours that we want, and try to ensure we keep as much employment which creates yet additional revenues for government on the table and in Cayman. You have our commitment that it is an area we are going to be looking at seriously because the work has to get done. We have to have some consultation about things that would be new, but you're quite right — we need to be very, very clear and strategic.

You're quite right; I can remember us being told when I was a freshman legislator that we were going to chase away every hedge fund in Cayman when we rolled out the local auditor sign-off rule. We brought into Cayman more than the top 20 networks that were never here, had no presence, purely because they wanted to have a presence and be able to

say they could provide audit services to our hedge fund industry and it goes to show that whilst we have to consult, government also has to have its own internal capacity to make decisions that we believe will be achievable, and achieve our goal.

At this point, it is to fund the government, but as the Premier has said, we understand that from 2028 onward we need to create additional surpluses so that we can actually start to really save money for a rainy day in this country in addition to having access to other products that protect us, not only in times of emergency, but in normal times and what this country's balance sheet should look like. We're completely onboard with that and we will be rolling out some additional work in that area.

Mr. Christopher S. Saunders: I'll tell you what I'm encouraged by, Mr. Chairman, and I can say it from knowing you as an individual. It is not the commitment that the public needs but more so the political will, and so far, I think you have demonstrated the political will to make some hard decisions because this in itself is a very hard decision to make, so I give you props for that.

In that regard, I look forward to exercising further political will by other Members in this House who are really serious about turning around the finances of this country because it needs to be done.

Thank you.

[Desk thumping]

The Chairman: Thank you, Member.
Are there any further questions on—

Hon. Michael S. Myles: Mr. Chairman.

The Chairman: Mr. McTaggart.

Mr. Roy M. McTaggart: I did have one question, sir, unrelated to what we were discussing. I wonder if I could go ahead and ask.

While looking at the coercive revenue sheet, something really jumped out to me, Mr. Chairman, and that is our estimates for gasoline and diesel duty. You're forecasting \$18 million for this year, and suddenly for next year and the year after it drops down to about \$12.5 million, which is about a 20-25 per cent drop. I'm curious — what could be driving that kind of a decrease?

[Pause]

The Chairman: Member, if you would allow us to get the answer for you, because it is a good point. There was some detailed information that came from the agency that gave it to us. [We will provide it in writing, and I commit to getting it to you.](#)

Mr. Roy M. McTaggart: That's fine, sir; not a problem.

Hon. Michael S. Myles: Mr. Chairman, can I bring the Members up to speed with the work permit-related fees?

The Chairman: Honourable Minister.

Hon. Michael S. Myles: Thank you, sir.

Number 15, in relation to the work permit fees, we are increasing the grants and temps. I know the question was asked whether we were increasing one or both; we are increasing both.

Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker: Mr. Chair, I asked about temps and renewals. Grants, I saw. I was looking for renewals.

Hon. Michael S. Myles: [Okay, I'll get that as well.](#)

On [15](b) it was temporary work permit fees. We have created several bands:

- Work permit fee application from permit fees that are \$0 to \$2,100, the current rate for those is \$100. In 2026, we're increasing that by \$150 which is a 50 per cent increase.
- The work permit application fee from \$2,101 to \$10,400, the current fee renewal is \$100. We're going up to \$250 which is 150 per cent.
- The work permit fee application from \$10,401 to \$32,400, the current fee is \$100. We're going up to \$500 which is 400 per cent.

Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker: Mr. Chair, through you. Is it still based on the titles and the industry, not the income band?

Hon. Michael S. Myles: It's based on the actual fee for that work permit.

Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker: Okay, you had income band, so I was confused. Anything on 16(b), section 28?

Hon. Michael S. Myles: You asked another question in respect of the Grant of Right to be Caymanian by descent. That fee is currently \$1000 but Caucus has decided to remove that fee, so as of January 1st it will be zero.

Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker: And the surviving spouse of a Caymanian under section 28?

Hon. Michael S. Myles: [I will get that for you.](#) I didn't ask my Chief Officer (CO) that question, but I will get that.

Hon. Pearlina L. McGaw-Lumsden, Deputy Speaker: Thanks, Minister. Thanks, Mr. Chair.

The Chairman: Thank you, members.

Members, I take it that pursuant to Standing Order 83(3), we can move to have FED 1 - Policy Advice, Governance and Ministerial Support Services in the amounts of \$4,529,299 in 2026 and \$4,201,043 in 2027 approved to form part of the Schedule.

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

AYES.

The Chairman: The Ayes have it.

Agreed: FED 1 passed.

FED 4 – Preparation and Publication of Statistical and Economic Reports

The Chairman: FED 4 - Preparation and Publication of Statistical and Economic Reports. Are there any questions? *[Pause]* If not, pursuant to the same Standing Order 83(3), I move that FED 4 - Preparation and Publication of Statistical and Economic Reports in the amount of \$3,007,068 in 2026 and \$2,767,211 in 2027 do form part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

Agreed: FED 4 passed.

FED 5 – Financial Reporting and Management Services

The Chairman: FED 5 - Financial Reporting and Management Services.

Member for George Town East.

Mr. Roy M. McTaggart: Thank you, Mr. Chairman.

Mr. Chairman, I'm assuming this is the right area to ask about the new budgeting system that I believe the Ministry is working on and hopefully get an update on where we are with it at this point in time.

The Chairman: Can you repeat that?

Mr. Roy M. McTaggart: The new budgeting system that is being developed or acquired.

[Pause]

The Chairman: Members, we've made significant progress with this project. We've developed the com-

prehensive framework that sets out the systematic and structured approach to financial planning, resource allocation, and performance monitoring.

Late last year and earlier this year, all government agencies including statutory authorities and government companies attended workshops to develop their service inventories and key performance measures or KPIs. These KPIs will track progress towards the achievement of outcomes. We are currently in the process of reviewing the Public Management and Finance Act to make amendments to allow for the focus on outcomes and to promote greater transparency and accountability to how funds are actually spent.

The project is well underway and we are hoping that by next year we will be able to bring legislation to the Parliament to be in line with outcome-based budgeting by the next cycle.

Mr. Roy M. McTaggart: Thank you for that, sir.

The first real opportunity we'll have to see it then is going to be the 2028-2029 budget period.

The Chairman: Yes.

Mr. Roy M. McTaggart: Okay, I appreciate that.

Whatever you are acquiring, is it an off-the-shelf product or something that's being developed specifically by or for the Ministry and government?

The Chairman: At this stage, nothing off the shelf has been identified. From where we sit now, it will have to wind up being a bespoke system for us; to cater to our needs and how we build out our system. Then, obviously, it would be a key driver in terms of the budget process, making it *a heck of a lot more* efficient.

Mr. Roy M. McTaggart: Thank you; maybe the size of these documents will shrink a little bit?

[Laughter]

The Chairman: That's the plan.

Mr. Roy M. McTaggart: That would be great, sir.
Nothing further from me right now.

The Chairman: Lady Member for Cayman Brac East.

Hon. Juliana Y. O'Connor-Connolly: I was catching your eye, Mr. Chair, just to let you know that I'm going to be leaving to catch a flight. I have a 9 o'clock funeral to attend on the Brac tomorrow morning, and the first flight for Cayman Airways would not allow me to get there in time.

The Chairman: Certainly hope you have safe travels; and of course, we pray for the bereaved family.

Members, if there are no further questions on FED 5 - Financial Reporting and Management Services, pursuant to Standing Order 83(3), I put the question as to whether honourable members approve \$7,675,480 for 2026 and \$8,295,866 in 2027 on the Schedule to form part of the Bill. All those in favour, please say Aye. Those against, No.

AYES.

The Chairman: The Ayes have it.

Agreed: FED 5 passed.

CIN 1 – Health Insurance for Seamen and Veterans for Primary and Secondary Health Care

The Chairman: CIN 1 - Health Insurance for Seamen and Veterans for Primary and Secondary Health Care. If there are no questions—

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chairman, is there any intention... Actually, it's for Minister Isaac; I apologise. I'll wait till he comes. Sorry.

The Chairman: Pursuant to Standing Order 83(3), I put the question that honourable members approve CIN 1 – Health Insurance for Seamen and Veterans for Primary and Secondary Health Care in the amounts of \$18,813,384 in 2026 and \$19,906,416 in 2027 on the Schedule to form part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

Agreed: CIN 1 passed.

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

The Chairman: Honourable Leader of the Opposition.

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

I beg your indulgence. As the lady member for Cayman Brac East has to leave, we're wondering if you would be able to go to the line item BO 10 – Borrowings.

The Chairman: Do Members have questions between...?

Hon. Joseph X. Hew, Leader of the Opposition: Yes, but because she's leaving...

The Chairman: Absolutely.

Hon. Joseph X. Hew, Leader of the Opposition: It's a major item and I would prefer she be here for it.

BO 10- Borrowings

The Chairman: Honourable members, BO 10 – Borrowings, 2026 - \$124 million; 2027 - \$112,000 [sic]. Are there any questions?

[Inaudible interjection]

The Chairman: Million.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Yes, please. Mr. Chairman, I think you should read that into the record one more time because I don't want a mistaken amount of money that the Government intends to borrow. Can you repeat the line item again, please?

The Chairman: Mr. Bryan, I will repeat it when I'm going to take the vote. That's the most important time; that's when we approve it. Are there any questions on BO 10 - Borrowings?

Hon. Joseph X. Hew, Leader of the Opposition: Yeah, Mr. Chairman.

The Chairman: Honourable Leader of the Opposition.

Hon. Joseph X. Hew, Leader of the Opposition: During your debate, you said that borrowings would be drawn down only if needed. Can you say whether there are specific projects for which these borrowings have been identified?

The Chairman: The short answer is, no. The longer answer is that in Q1 we are going to undertake the review that caused a bit of what we would call a kerfuffle yesterday, when we were looking at the Entire Public Sector and cash and how we stage cash and the cash movements across the Entire Public Sector (EPS). We are going to undertake to do that work.

We understand that the Public Authorities Act would necessarily need to be changed. However, given the fact that it is in Q1 when we are extremely cash rich, we believe we will have the flexibility to get that review done and bring any changes we may need should we see a capacity to manage cash differently to avoid interest costs as long as possible. That's what I meant by that statement. It was to run in tandem with the point that was made by the Member for Bodden Town West.

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

Mr. Chairman, am I right in my thought process that you would be bringing a resolution for the borrowing to Finance Committee at a later date, or is the resolution today? I'm trying to...

The Chairman: This will provide the authority. As always, the appropriations give the authority for borrowing. Any resolution would happen outside of this. For example, mention was made of what government is doing about government accommodations? Let's just say a private office building comes up for sale that was not anticipated in this Bill, and the Government believed that it was a good deal; we would have to come with that as a specific section 12 appropriation with a specific resolution to borrow to secure that building.

Mr. McTaggart, Member for George Town East.

Mr. Roy M. McTaggart: One question for you, sir. I think you said it when you first presented the budget — can you confirm that none of this money we are approving to borrow will be spent on recurring expenditures.

The Chairman: Absolutely not.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: When we say recurring expenditure, it doesn't mean specifically... I'm thinking about our audience. It has nothing to do with operational expenses (OpEx).

The Chairman: Nothing to do with OpEx. No operational expenses.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: The civil servants will continue to be paid and the country will still run without these borrowings, correct?

The Chairman: Absolutely.

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

The Chairman: Member for Bodden Town West.

Mr. Christopher S. Saunders: Mr. Chairman, I just want to clear something for the record.

I think it's important to say that [while] the borrowing would not be used to fund core government operations, some of this borrowing does include equity injection into statutory authorities which in some cases need that equity injection for their operations. As we go through the discipline of finance, I think some of them would have a going concern were it not for Central Government. This is why a review of the statutory authorities is important and thus the reason I

raised the point of Central Government, being the lender of last resort for everyone, having the burden of FFR; and the SAGCs carrying just as much cash.

As we go through this exercise, I think it's important to recognise or at least ensure that when we really strengthen the government's financial position and say it does not include recurrent or operational expenses, it also extends to some extent to the SAGCs that are cash strapped.

Again, I look forward to working with you on that exercise.

The Chairman: Hence, the reason it's so important for us to conduct that review — because, Mr. Bryan, believe it or not, this has been a hidden element.

[Inaudible interjection]

The Chairman: Yeah, yeah. I saw you perk up, so I'm speaking to you now; not the Member for Bodden Town West because the two of us are already of like mind on this point.

Before we get too carried away, please bear in mind that this has been a common practise for decades in our country; equity injections have sometimes been facilitated by borrowings — it has happened. Right now, in this financial year, we drew down a \$150 million facility. We did come to this Parliament with certain section 12s for some cash-strapped entities like Cayman Airways and the Cayman Turtle Centre.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chairman, I think I'm reasonably new and continuing to learn in this role as an MP.

I was blessed by the good people of this country to be given an opportunity to be a Minister for four years. You correct me if I am wrong, but it's not proper practise to use borrowings for operational costs. Am I correct?

The Chairman: The core government is not using borrowings for operational costs.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Well, being a Member of the Public Accounts Committee (PAC) now, and in the Opposition, I don't know how I'm going to be able to distinguish that. I know the Auditor General is probably watching these proceedings today.

The Chairman: I hope he is.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: I'm not suggesting... because it could have happened in our administration too, by all means, I'm not trying to shy away from this reality; but technically, if we want to get down to the nitty gritty of it, we're using borrowings for operations.

The Chairman: In this instance, we're not. If you look at the EPS, it still produces a \$6 million surplus.

What the Member for Bodden Town West was alerting us to is, should we fall below that, if the EPS fell into deficit then, technically, these monies would have to be used but as it stands with our projections, [with] \$11 million and \$37 million respectively, the cumulative losses of the SAGCs are incorporated and we still produced an EPS surplus.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Just for the listening audience, I like to learn with my people: EPS is the entire public sector meaning government, civil service, government-owned companies, Turtle Farm, Cayman Airways, all the Authorities — all of it, together.

The Chairman: When the EPS produces a deficit, we are definitively having borrowings fund SAGCs.

Any further questions? If not, I would put pursuant to section 83(3)—

Mr. Christopher S. Saunders: Sorry, Mr. Chairman.

In terms of the borrowings, are we looking to do the traditional banks or are we looking at doing a bond?

The Chairman: Wrapped up in the entire exercise that I've alluded to is to look at the structure of all our debt.

Mr. Christopher S. Saunders: Fair enough. I just wanted to double check. Thanks.

The Chairman: No further questions?

Pursuant to Standing Order 83(3), I move that BO 10 – Borrowings, in the amount of \$124 million in 2026 and \$112 million in 2027 on the Schedule form part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

Hon. Joseph X. Hew, Leader of the Opposition: Mr. Chairman, could we get a division, please?

The Chairman: Madam Clerk.

Division No. 1 of 2025/2026

AYES: 11

Hon. André M. Ebanks
Hon. Gary B. Rutty
Hon. Katherine A. Ebanks-Wilks
Hon. Johany S. Ebanks
Hon. Isaac D. Rankine

NOES: 0

Hon. Nickolas T. A. DaCosta
Hon. G. Wayne Panton
Ms. Heather D. Bodden
Mrs. Julie J. T. Hunter
Hon. Michael S. Myles
Mr. Christopher S. Saunders

ABSTENTIONS: 6

Hon. Joseph X. Hew
Hon. Kenneth V. Bryan
Hon. Pearlina L. McGaw-Lumsden
Hon. Juliana Y. O'Connor-Connolly
Mr. A. Roy Tatum
Mr. Roy M. McTaggart

ABSENT: 1

Mr. Dwayne S. Seymour

The Chairman: Members, results of the Division: 11 Ayes, 6 Abstentions, 1 Absent. The item stands part of the Bill.

Agreed: BO 10 passed.

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

The Chairman: DVB 4. Members, since there seems to not be any further questions Can we do a block vote from DVB 4 for the rest of the Ministry?

An Hon. Member: No, sir.

Mr. Christopher S. Saunders: No; no, no, no, no, Oh, no. Oh, no.

Mr. Chairman, I will tell you right now: I have questions for the famous Utility Regulation and Competition Office (OfReg) and I will tell you upfront. First of all, and I'm going to say it publicly, the Acting CEO needs to be confirmed in his position; he's been acting for too long.

[Desk thumping]

Mr. Christopher S. Saunders: I can say that every issue I have raised with him, he has dealt with.

There are other issues OfReg has, and much is both from a legislation standpoint and a regulatory standpoint in terms of more teeth being needed but the issue that I want to raise here today deals with the national security of this country, in particular, telecommunications and the... Sorry, I almost got carried away in terms of my choice of language.

[Laughter]

The Chairman: Nothing unparliamentary, members; nothing unparliamentary.

Mr. Christopher S. Saunders: The poor, the poor service by FLOW. Mr. Chairman—

[Inaudible interjection]

Mr. Christopher S. Saunders: It's worse in Cayman Brac?

Mr. Chairman, we had this issue, I think, maybe 10 years ago with regard to 911 whereby we wanted to make sure that we had local connections by everybody, but there are too many services, especially critical services, that should be based in Cayman, that are not based in Cayman and the poor service now is beginning to show. I mean, you can hear it — when your phone rings you can hear the dial tone change, you know it's going someplace it's not supposed to go; it's not local. Good luck trying to call someone there to even try to fix a problem.

Mr. Chairman, through you— well, you are the Minister; I guess you'll want your acting CEO on it. The question I have is what percentage of not just FLOW but Digicel and all the other providers' services is based here in the Cayman Islands, that we're not dependent on what is going on in another country because Jamaica got hit and now we are suffering.

Thank you, Mr. Chairman.

The Chairman: Thank you, Member.

Member, can you give an indication [whether] the questions you're going to ask are mainly technical in nature?

Mr. Christopher S. Saunders: This one is technical in nature.

The Chairman: For the benefit of the listening public and anyone who actually accesses the Appropriation Bill, the output groups we are referring to are all those coded URC.

I would ask the acting CEO if he could assist with the questions that would be technical in nature, and before responding for the first time, if he could please state his name and position for the record.

Mr. Sonji Myles, Interim Chief Executive Officer, Utility Regulation and Competition Office (OfReg): Thank you, Mr. Chair. My name is Sonji Myles. I am the interim CEO for the Utility Regulation and Competition Office.

Through you, Mr. Chairman, to the honourable Member for Bodden Town West. Maintaining an unbiased position as a regulator, I will say as much as the work the office is currently undertaking. In light of the recent service provision degradation, we have three investigations ongoing. We have made certain representations to our Honourable Minister and our Chief Officer of things to come so, without going into too much detail, I'll say that the office's primary responsibility is to protect the consumers of this country

— all the representatives within these halls are consumers, the average Joe on the street is a consumer, and the business community is a consumer.

It is our responsibility to make sure that the services provided are not dependent on any network elements that are domiciled outside of this jurisdiction. Redundancy in other jurisdictions is fine; but if a tree falls in another country, it should not affect your ability to make a call here. If someone steals copper cables in another country, it should not affect your ability to make calls here. These are some of the things we're looking at.

The most recent issues raise concerns with respect to compliance with existing licence obligations. It raises the need for increased restrictions on certain licensees, and creates an opportunity for additional legislative enactments; promulgation of new legislation or provisions so these issues that were unforeseen are protected or mitigated against going forward, all in order to protect the interest of the Caymanian people — and when I say the Caymanian people, I also speak to the socioeconomic interest of the country because, as you will appreciate in a financial jurisdiction, the ability to communicate locally and offshore is vital.

If those who are interested in moving to or remaining within the jurisdiction are not confident with the quality of telecommunication service, we have failed, and it is not in my interest to have the Cayman Islands fail by any measure.

The Chairman: Thank you very much.

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

Through you to the interim CEO. Are any actions or initiatives being undertaken to ensure that the critical equipment/infrastructure needed to run our telecoms infrastructure is located here in the Cayman Islands? At the end of the day, you can't regulate something that needs to be here but [is] not. That is a key component.

The Chairman: Mr. Myles.

Mr. Sonji Myles, Interim Chief Executive Officer, Utility Regulation and Competition Office (OfReg): Through you, Mr. Chair. Yes, sir, there are.

I think it would be inappropriate for me to go into too much detail right now because of the process, but I'll say this much: there are certain provisions in the existing legislation which allow certain licence amendments to be made unilaterally, and that is a provision that we're considering leveraging in the short term.

Mr. Christopher S. Saunders: Thank you very much, Mr. Myles. Last question before I give others an opportunity.

Part of your legislation deals with consumer protection. It is one of the very few that actually details consumer protection. I've seen in some cases in other countries where [if] a company or entity has not provided the service they are supposed to provide there is a refund given to customers. I take something like broadband for example, where Cayman is one of the most expensive places on this planet with regard to broadband costs. When people are paying for a certain speed and you can't get that speed— and I understand time of day and toggling and all those kinds of things...

The question is when these infrastructures fail and a customer paid money and does not receive that service, at a minimum, I think some of these entities just need to say to the customers, *you know what, there's a rebate of \$25, \$50 or \$100 across the board*; because at the end of the day, you can't have people making all of this money on the backs of Caymanians and then not delivering the service that Caymanians paid for. I've seen some cases where entities have been fined, but the customer still [paid] their hard-earned money. What I mean is that your fine should be increased to the point where we can refund the affected customers who paid their hard-earned money for services they have not received.

The Chairman: Mr. Myles.

Mr. Sonji Myles, Interim Chief Executive Officer, Utility Regulation and Competition Office (OfReg): Through you, Mr. Chair.

The members may recall that the office issued a public statement; I think it was in June. Within that statement, a significant comment was that consumers should not be made to pay for services they do not receive. That was not a one-off comment. We made the comment and we've done work to establish a set of draft provisions that will realise our desires to not have consumers pay for services they do not receive.

Subject to consultation with the Honourable Minister, we hope to publish a very robust set of consumer protection regulations which will include provisions — I won't go into detail because it's not public yet — that will have the aim of protecting consumers, ensuring transparency with respect to communications with consumers, ensuring certain building practises are adhered to, and a slew of other things.

I'll end with, *we're working on it*.

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

The Chairman: Member for George Town Central.

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

I want to second the position my colleague highlighted that it's time to confirm our acting director

for OfReg — strong, capable, Caymanian grassroots; built his way up and I'm proud of him. He was my schoolmate — and I'm not saying it because he was my schoolmate, but because he's deserving. Since I was Minister, he's done everything in respect to requests for information, capabilities, and development, and the new path forward. I really hope those who have the power ensure that it is confirmed — Minister Jay or the Minister of Finance. Oh yeah, I forgot it switched over. Minister of Finance, it's to you.

With that being said, there is one thing that has been troubling me which is — oh, before I ask that question. I hear some people shouting at FLOW. If we, in here, are willing to downgrade some places, I would like to go on record to say that I am very happy with FLOW's service; they've been with this country for many, many years and they may have one or two problems, but I know they're working with OfReg to resolve them. [Just] as we're quick to shout out certain names, they got to shout out the other ones too. I stand with FLOW and we're going to flow together.

[Laughter]

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: That being said, let's move on to the unfortunate circumstances of the case lost in court by another provider based on the government's ability to collect fees. How does that now affect other providers from paying what the entity was collecting on behalf of the people? How does it affect the financial projections?

The Chairman: Member, that item is *sub judice* as government is filing an appeal.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Well, they haven't filed the appeal yet.

The Chairman: Yes, we have.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: You have? Okay, I'll stop there. Thank you so much, Chairman. I didn't know that. In that case then, I have no more questions for my good friend. I do have other ones but my colleague gave me way specifically for Sonji...

[Inaudible interjection]

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: I can keep on going? All right, let me see... No, I have other questions but not for OfReg.

[Inaudible interjection]

The Chairman: Okay, one more.

Mr. Christopher S. Saunders: Through you, Mr. Chairman, something I've always liked about the CUC

contract, although some people may not like me for saying that, is the RCAM (Rate Cap and Adjustment Mechanism) provision they have whereby they get a return based on their investment. Is OfReg considering using a similar approach for other telecoms companies?

I ask because we have telecom providers here with outdated technology making a ton-load of money, and the amount of money they make is actually on the OfReg website, people can go look it up; yet they're not making the capital investment that is required. We're talking about companies that are basically making a lot of money — in some cases assets could even have been paid off already. We need to ensure the Cayman Islands stay on top of the latest when it comes to technology.

What incentive is there to ensure that the telecom providers actually make the necessary capital investment to ensure that the Caymanian people and the Cayman Islands stay on top with regard to the latest in telecommunications?

The Chairman: Mr. Myles.

Mr. Sonji Myles, Interim Chief Executive Officer, Utility Regulation and Competition Office (OfReg): Through you, Mr. Chair. If I'm understanding the question, it is really what incentives are in place or to be established to ensure investment in utilities development.

Mr. Christopher S. Saunders: Correct.

Mr. Sonji Myles, Interim Chief Executive Officer, Utility Regulation and Competition Office (OfReg): There are two main utility generation providers. CUC and Island Energy.

The licence for CUC is what it is; however, we are currently flirting with the possibility of discussions to amend and update the licence as necessary, and that is a matter for my board.

Mr. Christopher S. Saunders: Sorry, it's not CUC I'm talking about. I'm talking about the telecoms industry whereby we need them to make the necessary capital investment to ensure that we stay on top of cutting-edge technology.

The Chairman: Mr. Myles.

Mr. Sonji Myles, Interim Chief Executive Officer, Utility Regulation and Competition Office (OfReg): The telecoms industry... Well, based on our legislation, the regulator has an obligation to facilitate investment, development, and innovation; we do so by consultation and policy development following discussions with the various licensees and industry as a whole, obviously cued by any national policy that might be handed down.

Telecommunications being a fast-paced industry tends to innovate itself based on the advancements in technology and consumer demand, so the roll-out of 5G locally was spurred by both consumer demands — consumers wanting what they understand to be an advanced level of telecommunications service, and the industry globally promoting and advancing 5G service. This is the way that regulators manage the sector globally. What is the new age technology; what serves consumers best; and should we allow it to be established and rolled out locally? We're talking about 5G; 6G is on the horizon.

I'll do as much as say [that] I'm proud to say that yesterday, the OfReg Board approved a licence for Starlink, so we will be having wireless communication services rolled out in the country hopefully very soon— different from the terrestrial types of services. These things are typically led by industry and facilitated by the regulator, depending on what the needs and benefits of the country are. The Honourable Premier alluded to, I think, the digital strategy team or committee that has been established, so at some point, we will be engaging and provide our input and receive an understanding from industry as to what the business and consumers need so that we can promulgate the necessary policy to bring that to realisation and bring the benefits to fruition.

Mr. Christopher S. Saunders: Thank you very much for that. I'm glad you mentioned that because this creates exactly the issue that I was afraid of in the sense that, again, the telecoms industry created or provided good, decent, middle-class paying jobs and by these companies now not staying current, you are going to find that another dominant player is going to come in with far superior technology and if you look at their footprint in terms of the number of people they will end up employing locally, it will pale compared to what it was before.

Once again, there's a strong possibility that good-paying jobs that were once available in Cayman are now going elsewhere.

The Chairman: Member, in general terms, that can be a risk. If you're speaking directly to Starlink and what their niche market and their cost is, versus the general market, though, I'm not feeling very threatened about it at this stage given the markets it really concentrates on. The general point you're making, however, I take wholeheartedly because certainly, as technology is changing very rapidly, we certainly don't know what tomorrow may bring with AI.

Bandwidth being what it is, how new-age technology is accessible once you have connection to the internet, and what a new service provider could look like because the fact is 25 years ago, the industry looked completely different; so you're quite right. We do need to stay on top of things and ensure that as new technologies come, we put the regulatory frame-

work in place that best serves the community but at the same time, as the regulator said, the consumer will also drive certain demands in the marketplace so going forward there is going to be a balance to be struck.

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

My last question goes back to the CUC model of using the RCAM. Is OfReg looking at ensuring that, especially telecom companies' profit is driven as a percentage of their investment because that's one thing with CUC; the more they invest, the more they make — in the [telecom companies'] situation we have the inverse whereby the less they invest, the more they make.

Is OfReg looking at something to incentivise companies to actually make the investment because what we don't want is for companies to make whopping profits on outdated machinery or equipment they have already paid off 20 times [over], yet we're suffering bad service.

The Chairman: Mr. Myles.

Mr. Sonji Myles, Interim Chief Executive Officer, Utility Regulation and Competition Office (OfReg): Through you, Mr. Chair. Without getting into specifics, we are working on updating our regulatory framework, and considerations such as you've suggested are on the list of things to be evaluated.

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

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

The Chairman: Hon. Bryan.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: I don't have any questions for the acting, soon to be full-time [CEO]. OfReg is fine with me, I'm done; but before we went into the OfReg topic I had other questions. I know that you want to kind of summarise those, so if you want me to quickly throw my questions and *switch the model a little quickly...*

The Chairman: I would rather take the items that we completed so that public servants can be free to leave.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Oh, well, I guess you have to ask the other colleagues. I don't want to assume they don't have any other questions on those.

The Chairman: Any other questions on OfReg?

[Inaudible interjection]

BLOCK VOTE:

DVB 4 – Administration of Lending Activities

URC 1 – Drafting Instructions for the Development of Legislation and Policy Advice

URC 6 – Regional and International Representation

URC 7 – National Cyber Security Initiatives

URC 10 – Monitoring and Controlling the Storage, Handling, Quality and Mensuration of Fuel Products

URC 11 – Economic Regulations, Monitoring and Directing the Fuel Sector and Relevant Market

URC 12 – Management of the Cayman Islands Internet Domain and Verification of ICT Licence Fees

The Chairman: Okay. Honourable members, pursuant to Standing Order 83(3), I put the question whether to approve the following items on the Schedule to form part of the Bill.

- DVB 4 – Administration of Lending Activities; \$605,043 in 2026 and \$605,043 in 2027.
- URC 1 – Drafting Instructions for the Development of Legislation and Policy Advice; \$74,289 in 2026 and \$74,289 in 2027.
- URC 6 – Regional and International Representation; \$50,000 in 2026 and \$50,000 in 2027.
- URC 7 – National Cyber Security Initiatives; \$200,000 in 2026 and \$200,000 in 2027.
- URC 10 – Monitoring and Controlling the Storage, Handling, Quality and Mensuration of Fuel Products; \$1,042,000 in 2026 and \$1,042,000 in 2027.
- URC 11 – Economic Regulations, Monitoring and Directing the Fuel Sector and Relevant Market; \$610,293 in 2026 and \$610,293 in 2027.
- URC 12 – Management of the Cayman Islands Internet Domain and Verification of ICT Licence Fees; \$33,418 in 2026 and \$33,418 in 2027.

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

AYES.

The Chairman: The Ayes have it.

Agreed: DVB 4, URC 1, URC 6, URC 7, URC 10, URC 11 and URC 12 passed.

EI 95 – Utility Regulation and Competition Office

Mr. Christopher S. Saunders: I would add EI 95 to that also, Mr. Chairman.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Yeah, it's for OfReg as well.

The Chairman: Pursuant to Standing Order 83(3), I put the question as to whether honourable members also approve adding to the schedule to the Bill the item described as EI 95 - Utility Regulation and Competition Office; \$120,000 in 2026 and zero in 2027.

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

AYES.

The Chairman: The Ayes have it.

Agreed: EI 95 passed.

EI 4 – Cayman Islands Development Bank

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chairman, I think you already took the vote for DVB 4.

The Chairman: I did.

[Inaudible interjection]

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: That's exactly what I'm about to do now.

In light of us passing that and [since] you want to complete the whole circle and let the staff for that [office] go, I have a question about EI 4, if you are okay to go to it.

The Chairman: Absolutely.

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

Mr. Chairman, I am a bit confused; I was looking through the budget for this and last year, the budget for it was \$1 million, but now it's moving down to half a million, yet the operational cost of administration of the lending activities in support and costing has not changed. One would assume that much of the same will stay the same. In light of the fact that Cayman Islands Development Bank is the last standing Cayman-owned bank... Well, it's a government bank, so maybe I need to correct that statement. One that ultimately is specifically charged with the outcome—

Matter of fact, let me remind what policy it's related to: Broad Outcome – Economy: A diversified, resilient economy that *supports* prosperity and innovation. I don't know how much support you're going to give with half a million dollars. What can a bank do —

The Chairman: Let me just be very clear that as Minister, I am going to be looking very much at the role that CIDB plays in a modern Cayman infrastructure and what skills and services we need to have.

I'm not going to kick down the road cans that have been kicked and kicked and kicked. It's the end of kicking cans down the road; this Minister is not going to do that. It's not fair to the country or the good people who are part of the board or work at the bank. We have to look strategically at the skill sets that we need and how to best use those skill sets to service CIG, and therefore the public, so we are going to be having a wholesale review of this sector to ensure that we are strategic and making an impact.

Hon. Kenneth V. Bryan, Deputy Leader of the Opposition: Mr. Chairman, thank you so much for that, but nowhere in your delivery did I understand anything and what it meant because funding the bank and reforming the bank are two different things. Having the ability to deliver what the bank is intended to do has nothing to do with the funding of it. Now, if your intention is to not have that bank have any money to do what it's intended to do while you reform it, that's a different thing. I'm not going to sit here and challenge you, as the Minister responsible, to say *you don't need reform*. That's not my place. What I can say is, if you go there and reform it today and fix it, you don't have any money for it. That's what I'm saying.

Granted, I don't know about kicking the can down the road and all those things; I don't know what you mean by that. What I do know is that \$500,000 can't do anything for any Caymanian in this country in respect to lending. If you want to elaborate further, or say you'll come back later on and get a section 12 to put more money in the bank once you fix it... but if this bank is going to be used as the Cayman Islands Development Bank — to give people opportunities through innovation; young Caymanians who have nowhere to go when the private sector doesn't want to give them a chance, we have no money there. This bank is not going to be able to help Caymanians at all without funding. That's my point.

I will leave it there. I think the fact of your stern position on the amount will speak for itself and we will see for the next two years whether this bank will be used in the appropriate way it was envisioned from the start.

The Chairman: Honourable Leader of the Opposition.

Hon. Joseph X. Hew, Leader of the Opposition: Mr. Chairman, if I may take it from this angle. If you look at the Ownership Agreement's scope of activities:

"1. Provide finance in order to promote and facilitate development in the Islands, with particular reference to Small Businesses especially in construction, electronics, commerce and tourism, and housing and human resource development.

2. **Provide an advisory service to give advice and disseminate information about matters relating to:**
 - a) **Housing, mortgage finance and the maintenance of dwellings**
 - b) **Advice in education and counselling in education**
 - c) **Agricultural, industrial and tourism development.**
3. **Promote agricultural, tourism and industrial development in the Islands.**

Act as administering agent for the Cayman Islands Government for the Government Guaranteed Student Loan Scheme, Government Guaranteed Home Mortgage Scheme and Disbursement of Scholarship Funds.”

I get that this ownership agreement hasn't been reviewed in a while. Are you in a position to share what the Government's vision is for CIDB? I have to say I've always been interested in CIDB as a young entrepreneur myself and the questions I get from other young people, whether trying to find housing or get their businesses going is always, *well, is that what CIDB is for and are there funds available?*

It became a very useful partner for us during COVID when we did the Small Business grants, in vetting and issuing those grants. From that experience, I saw potential there, but I thought perhaps you may want to share what the Government's vision is.

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

The fact is we left the descriptions in the Appropriation package as is, purely because the Government has simply not had time to start its review. We're only six months in, so we're leaving the status quo as is; but once again, we are going to look at CIDB in a bipartisan manner. We are going to look at our infrastructure as government to ensure we are having an impact so that we can have the impacts we know we need to have, keep skill sets in-house that we know we need to have, and then come to the country, in a bipartisan manner with what the final outcome will be because I don't believe these sorts of initiatives and endeavours ought to be taken on by the Government and we simply call the Opposition into the committee room and say, *here's a presentation and this is what it is.*

Hon. Joseph X. Hew, Leader of the Opposition: Thank you, Mr. Chairman. Have there been any recent studies on what the direct or indirect impacts of CIDB are? Have we had a look at that recently?

The Chairman: No.

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

I also want to take the opportunity to talk about the Cayman Islands Centre for Business Development and the challenges they will have there and what could be the correlation between the Cayman Islands Centre for Business Development and the CIDB.

The Premier and I also had discussions previously, with third parties as well, about opportunities or ways in which we can try to put pressure on the local Class A banks through competition to be a bit more competitive in their lending to Caymanians. I want to put those two out there; plant those two seeds in the thought process surrounding Cayman Islands Development Bank.

The Chairman: Absolutely; and Honourable Leader of the Opposition, where you are heading is exactly where we are at this juncture. It's now down to getting together, laying the facts on the table and looking strategically at how we best serve our people. That's the key.

Hon. Joseph X. Hew, Leader of the Opposition: I don't think this Ownership Agreement is far off. I just think the way in which we approach it may need some tweaking. As long as you're satisfied that this \$500,000, at least, certainly for this year, can cover the bank's ability to maintain the business it already has... that was a big concern for me when I saw the huge drop. Then, of course, I would hope all that we just spoke about is a priority to getting the bank running in a way that [meets] the vision the Government sees for it.

The Chairman: Absolutely.

Member for Bodden Town West.

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

I think it probably would be helpful to colleagues and the listening public... I know you and I have had private conversations on this, and forgive me for speaking out of school, but colleagues, something the Minister mentioned in terms of having bipartisan support, some of you who were here last term would remember the Motion that we passed unanimously in this Parliament in terms of creating the Cayman Islands Mortgage Company. The whole idea of what we're looking at now, recognising the housing requirements where we have literally over 2,000 Caymanians looking for homes.

In terms of what is available to our people, something we need to look at— and this is what I've discussed with the Minister offline— is not using public funds per se, in terms of cash, because we have already seen the cash crunch we're in now with regard

to the FFR requirements et cetera; but to use more creative ways of helping our people.

I refer to page 36 of the Plan and Estimates that speaks to the principles of financial management. Something you can see there is the net debt ratio, which gives the government the flexibility, rather than using cash, to actually use their credit power or in essence their guarantees in terms of certain initiatives which would then reduce the cash burden on the country. On top of that, one of the good things about using the government guarantee, for those who are familiar with banking like my good friend from Red Bay, he will tell you where CIMA is concerned, loans guaranteed by the government actually carry zero per cent [on] risk-weighted assets. [There's] nothing a bank loves more than to lend money to government simply because it does not put a cost on their capital.

To put that in context, when they put loans to private individuals like mortgages, that's a 35 per cent on their risk-weighted assets; when they do loans to commercial activities, that's 100 per cent weighting on their risk assets— and we can have this conversation offline; but for government-guaranteed loans or loans to the government, there is zero per cent risk-weight on assets, so banks are very incentivised by that.

Another thing we discussed with the Minister offline, and again, Minister, I hope I am not speaking out of turn, is for us to look at these kinds of initiatives because at the end of the day, government will not have the cash to build 2,000 homes.

An Hon. Member: That's right.

Mr. Christopher S. Saunders: However, government does have the balance sheet space which it may probably end up using seven or 10 per cent of its balance sheet space to create 2,000 homes, just to put it in context. Rather than use cash, we use a percentage of that net debt ratio — which the law allows us to go up to 80 per cent and right now, based on the end of this we'll still be at 24 per cent, which is well below; so there is flexibility.

I think that is a more creative way of helping people, and maybe we can get these banks to actually do something to help people too. Minister, forgive me if I have spoken out of turn, but I wanted to at least alert them to the conversations that you and I have had.

The Chairman: Thank you very much, Member. That is exactly a key part of what we have to look at as Members, being smart about how we go about solving issues for our constituents, whether they be small business owners, start-ups or persons looking to get on the housing ladder. We have to use and utilise all the tools in our toolbox instead of thinking that government, with its limited, finite resources and competing demands, ought to be trying to cash up all of these competing priorities. The fact is, every dollar we use

here is a dollar that we can't then leverage to build a school, to build new health care facilities or whatever else we know the country desperately needs.

I think it's much more prudent for us to use the cash for the critical public infrastructure we need and, as the Member for Bodden Town West said, leverage the government's balance sheet, our internal capacity, working in tandem with private banks for some of these other items. I can say I've met with two Class A banks' managing directors already and talked about these sorts of initiatives and they are very excited for the reasons outlined because they understand that there is a potential for a win-win.

Now, the encouraging history behind this is that for every one of them that participated in the GGHAM [Government Guaranteed Home Assisted Mortgage Programme], because GGHAM is the only way that we've tested this theory; the rates of GGHAM foreclosure in one bank were lower than their entire portfolio, and that ought to be very instructive for us. It just goes to show that if we work in tandem and ensure that the public understands, government can enable, but there is accountability. Accountability, whether you are getting a small business loan or a mortgage for that first home to get on the housing ladder. Government can enable, but the accountability is down to our individual citizens to then do their part once the opportunity is provided.

Are there any other questions on EI 4? [Pause] As there are no other questions on EI 4, in accordance with Standing Order 83(3), I put the question as to whether honourable members approve the item on the Schedule described as EI 4 - Cayman Islands Development Bank, \$500,000 in 2026 [and] \$500,000 in 2027 to form part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

Agreed: EI 4 passed.

BLOCK VOTE:

OE 9 – Caribbean Economic Community Fees
OE 10 – Caribbean Regional Technical Assistance Centre – Contribution
OE 27 – Past Service Pension Liability Payment

The Chairman: Members, reverting to the substantive schedule, we had reached Other Executive Expenses. OE 9 - Caribbean Economic Community Fees... no questions? Members, just to give the Chair an indication — are there any questions between OE 9 and OE 121, or can we take them as a block vote?

Mr. Roy M. McTaggart: I do have a couple of questions on OE 54.

The Chairman: OE 54.

Do Members have any questions on OE 10 - Caribbean Regional Technical Assistance Centre – Contribution or OE 27 - Past Service Pension Liability Payment?

With that indication, in accordance with Standing Order 83(3), I put the question as to whether honourable members approve the items on the Schedule described as OE 9 - Caribbean Economic Community Fees, \$241,199 in 2026 and \$246,023 in 2027; OE 10 - Caribbean Regional Technical Assistance Centre – Contribution, \$90,225 in 2026 and \$90,225 in 2027; and OE 27 - Past Service Pension Liability Payment \$12,208,000 in 2026 and \$12,208,000 in 2027 to form part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

Those items on the Schedule now form part of the Bill.

Agreed: OE 9, OE 10 and OE 27 passed.

BLOCK VOTE:

OE 54 – Caribbean Catastrophe Risk Insurance Facility – Annual Premium

OE 57 – Executive Bank Charges

OE 110 – General Insurance

OE 121 – Additional Normal Cost Pension

The Chairman: OE 54 - Caribbean Catastrophe Risk Insurance Facility – Annual Premium, \$1,100,000. Are there any questions?

Mr. McTaggart, Member for George Town East?

Mr. Roy M. McTaggart: Thank you, Mr. Chairman.

Mr. Chairman, the Caribbean Catastrophe Risk Insurance Facility or CCRIF as we know it, has been in the news for the last three to four weeks for very positive reasons. Their name is now known throughout the world for the almost \$100 million pay-outs they made to Jamaica in the wake of Hurricane Melissa.

Mr. Chairman, I know we have the hurricane coverage parametric policy, but do we also participate in the earthquake and excess rainfall programmes?

The Chairman: I'm happy to report that we participate in the hurricane and earthquake [programmes] but not the excess rainfall by virtue of our not having many mountains and rivers and seeing that as a huge risk for us in Cayman. Those are the two that we participate in at the present time.

Mr. Roy M. McTaggart: Mr. Chairman, I thought I saw that a pay-out was received by Turtle Farm probably in 2023 or 2024. Am I on the right track?

The Chairman: The Cayman Turtle Centre actually subscribes to their own separate policy for CCRIF but just for hurricanes; and after [Hurricane] Beryl they claimed on their own policy.

Mr. Roy M. McTaggart: That's an interesting decision they have taken rather than going through the whole country. Thanks for that information. That's all I needed to know. Thank you.

The Chairman: Are there any further questions?

Any questions on OE 57 - Executive Bank Charges, OE 110 - General Insurance, or OE 121 - Additional Normal Cost Pension?

If not, pursuant to Standing Order 83(3), I put the question as to whether honourable members approve the items on the Schedule described as OE 54 - Caribbean Catastrophe Risk Insurance Facility – Annual Premium, \$1,100,000 in 2026 and \$1,100,000 in 2027; OE 57 - Executive Bank Charges, \$5,000 in 2026 and \$5,000 in 2027; OE 110 - General Insurance, \$12,343,800 in 2026 and \$12,960,990 in 2027; and OE 121 - Additional Normal Cost Pension, \$4,155,338 in 2026 and \$4,238,445 in 2027 to form part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

Agreed: OE 54, OE 57, OE 110 and OE 121 passed.

EI 70 – Ministry of Finance and Economic Development

The Chairman: EI 70 - Ministry of Finance and Economic Development, \$1,065,000.

Member for George Town East.

Mr. Roy M. McTaggart: Thank you, sir.

Mr. Chairman, I'd like to know what assets they intend to purchase with this because I noticed that we've got it here for two years, but there was nothing in 2025.

The Chairman: Mr. McTaggart, this is to underpin the budget software that you referred to and asked about earlier — the supporting software and some smaller items associated with it. It is the estimated spend to get to outcome budgeting.

Mr. Roy M. McTaggart: Thank you, sir. You can put it to the vote.

The Chairman: In accordance with Standing Order 83(3), I put the question as to whether members approve the item on the Schedule described as EI 70 - Ministry of Finance and Economic Development, \$1,065,000 in 2026 and \$1,065,00 in 2027.

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

AYES.

The Chairman: The Ayes have it.

The item on the Schedule now forms part of the Bill.

Agreed: EI 70 passed.

The Chairman: Loans Made, LM 1.

Mr. Roy M. McTaggart: Mr. Chairman, unless my colleagues disagree with me, might I suggest you put the remaining items to the vote.

BLOCK VOTE:

LM 1 – Mortgage Loans for Civil Servants

LM 3 – Loans for Civil Servants

LM 4 – Loans for Overseas Medical Advances for Uninsured Patients

FE 3 – Interest on Public Debt

The Chairman: Thank you for your cooperation, Members.

In accordance with Standing Order 83(3), I put the question as to whether honourable members approve the items on the Schedule described as LM 1 - Mortgage Loans for Civil Servants, \$80,000 in 2026 and \$80,000 in 2027; LM 3 - Loans for Civil Servants, \$80,000 in 2026 and \$80,000 in 2027; LM 4 - Loans for Overseas Medical Advances for Uninsured Patients, \$200,000 in 2026 and \$200,000 in 2027; FE 3 - Interest on Public Debt, \$21,483,000 in 2026 and \$30,726,000 in 2027 to now form part of the Bill.

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

AYES.

The Chairman: The Ayes have it.

The items on the Schedule do now stand part of the Bill.

Agreed: LM1, LM 3, LM4 and FE 3 passed.

The Chairman: Members, I know we've had great momentum, but I do need to have a five minute break. I would take this opportunity to thank all Members and public servants who have attended this meeting of the Finance Committee — thank you very much for all the information provided. Thanks, also, to the staff in the Ministry of Finance; and special thanks to Mr. Michael

Nixon who has been with me [during] this portion of the proceedings of Finance Committee.

For Members, but probably as important for those who are watching the proceedings, you will note that the Financial Secretary has swapped out a number of his senior leadership team in the Ministry to give them the same experience of assisting me directly in Finance Committee, so from time to time you will see a new person here. I want to thank Mr. Nixon for seeing us through this portion of Finance Committee.

[Desk thumping]

The Chairman: Now we will suspend for five minutes.

Committee suspended at 5:23pm.

Committee resumed at 5:30pm

The Chairman: Members, we resume the activities of Finance Committee. Please be seated.

After consultation with all Members of the Committee, a consensus has been taken that given the hour which is 5:30 on a Friday evening and a significant number of Members have formal commitments to attend as MPs as we represent our people, we will adjourn the Finance Committee until Monday morning, the 17th November at 9:30am.

At 5:31pm the Finance Committee adjourned until 9:30am Monday, 17th November, 2025.