GETTING BACK ON COURSE

CAYMAN ISLANDS GOVERNMENT
I first want to again thank the Caymanian people for the confidence and trust that you have bestowed on this Administration to get the country back on course. When taking office we understood well that the road ahead was not an easy one, but we had full confidence that as a country and as a people, we had the ability to move towards a better tomorrow.

For the first 99 days of the PPM Government, we have worked diligently to bring back stability to our country. One of the first priorities was to restore confidence in Government, including confidence by the UK and by the business sector. Enhanced confidence in Cayman will assist us in our other priority - ensuring a vibrant economy so that Caymanians can secure jobs today and into the future.

While we know we still have much more to do, I think we have made great strides in restoring the confidence of our people, the UK and business in our Government.

We have gotten off on a good foot with the United Kingdom in this first 99 days, as evidenced by their approval of our four-year fiscal plan, and we did this the first time around.

I am extremely pleased that with the UK accepting a multi-year budget framework, we are able to put behind us the uncertainty and anxiety that has attended the budget process over the past four years.

I believe that as you look through our accomplishments of the first 99 days, you will see that we have made great strides. We have tackled difficult areas like the Nation Building Fund, including the Scholarship programme, as well as concerns with certain Government authorities head on; seeking to improve what was a bad situation.

We have successfully pursued several initiatives relating to jobs and apprenticeship programmes to ensure that Caymanians have opportunities for jobs. We have reopened discussions with the Dart Group and good progress is being made on a variety of issues, including waste management.

Understanding that in our society employment of Caymanians is a priority, but that allowing businesses to have access to skills not found in Cayman is also important, we are completing a needed review of both the work permit and permanent residency systems. The goal is to have a system that is fair to immigrants but that also takes into account the needs and expectations of Caymanians with regard to jobs and the growth of the permanent population of the Islands.

We recognise that we need to build and improve on the work of those who went before, and as such we continue to support several initiatives in education, in helping families, and in developing our key industries.

I have to thank my team; Ministers & Councillors, and those in the Civil Service for their professionalism and the hard work that has gone into this first 99 days. They have portrayed traits that will help this Government restore pride in Caymanians and residents and all who love this country, restore confidence in Government, help rebuild our economy, reduce the cost of living and provide more opportunities and better lives for all of our people.

I reiterate that while we have done much in the first 99 days, there is much more to do, but I already feel a renewed sense of optimism in, and for, the Cayman Islands.

William Shakespeare, in the play Julius Caesar, wrote:

“There is a tide in the affairs of men, which taken at the flood, leads on to fortune. Omitted, all the voyage of their life is bound in shallows and in miseries. On such a full sea are we now afloat. And we must take the current when it serves, or lose our ventures.”

My Administration has set a new course for Cayman, and whilst the voyage ahead is not yet smooth sailing, we have left the shallows and are afloat and heading into full seas, with all hands on deck, towards a better tomorrow.
Government finances

Interim budget approved
The Government obtained approval for an interim budget of $194 million for four months of the 2013/14 fiscal year – covering the period from 1 July to 31 October, 2013 – while the full-year budget is being prepared. This was the first time in several budget cycles that the Cayman Islands Government and the United Kingdom, through the Foreign and Commonwealth Office, were able to come to a timely agreement around budgeting.

Overdraft interest avoided
Government negotiated an increased overdraft of up to $46 million for more flexibility with cash flow, with the stipulation that Government could not spend more than $30 million before 31 October. One of the positive effects of achieving expenditure restraint is the fact that Government has not incurred an overdraft balance during the three-month period from 1 June to 31 August, 2013. Consequently, overdraft interest has been completely avoided during June to August 2013.

Expenditure restraint achieved
Memos were issued to the Civil Service requesting expenditure restraint during the current fiscal year. The Civil Service has complied.

Fiscal Plan accepted
The four-year 2013/14 to 2016/17 fiscal plan has been accepted by the Foreign and Commonwealth Office. This means Government can prepare its annual budgets with absolute certainty that once parameters in the fiscal plan are met, the Budget will be approved. Certainty in the preparation of Government’s annual Budgets also encourages private sector confidence in the Cayman Islands’ economy.

Duty concessions
There is now a policy that guides concessions in the areas of Import Duty, Stamp Duty and Land Holding Companies Share Transfer Tax. The policy provides greater certainty as to how such requests will be treated, and it streamlines the process of considering requests.

IRIS upgrade
In July 2013, the Government officially began the upgrade of key computer software. The upgrade is scheduled to be completed by December 2013.
Jobs
Employment
The Government has entered discussions with the private sector to initiate a pilot programme in which unemployed Caymanians will receive training and jobs.

The Government is working with the Cayman Islands Tourism Association and the University College of the Cayman Islands to prepare Caymanians for guaranteed jobs in the tourism industry.

The Government is working toward the National Workforce Development Agency being the central clearinghouse on all available/vacant jobs in the market and to ensure that qualified and capable Caymanians have the opportunity to get those jobs.

Development of a Public Private Partnership with a local recruitment agency seeking to deliver a ‘Back to Work Programme’ that places 20 unemployed Caymanians with local employers, which is intended to start this month.

Continued support of Health City Cayman Islands in an effort to provide employment and education opportunities for Caymanians, which includes high school graduates.

The National Workforce Development Agency successfully placed 49 jobseekers. Ten summer students sought assistance with obtaining summer jobs and six of them were placed. The agency has also worked with 18 clients who have convictions. Five of these clients have been placed in jobs.

Continuing to support Cayman Enterprise City, which is working with the National Workforce Development Agency to help clients find Caymanian employees.

Business and Investment
FATCA negotiations concluded
Concluded negotiations with the United States and initialled a Model 1 intergovernmental agreement and a new tax information exchange agreement. We continue to meet our international obligations for exchange of information under the US Foreign Account Tax Compliance Act.

Financial Services
Completed consultation with the industry regarding the level of fees charged and will be taking feedback on board during the budget review process.

The Business continuity/Disaster Recovery project commenced May 2013 and is now 99 per cent complete.
Tourism

Department of Tourism
Air arrivals are up by 5.9 per cent - May, June and July have seen the best performance in visitor arrivals in 13 years.

11 students have been selected for the Central Caribbean Marine Institute facilities in Little Cayman for training and scuba diving certification.

Immigration/Work Permits

Immigration and Permanent Residency
Improving work permit application processes and procedures to ensure that the work permit system is more fair and efficient with additional transparent systems for advertising of available jobs to Caymanians, whilst also streamlining the process of making it more efficient for employers.

Reviewed and recommended improvements to the Permanent Residency system to ensure that the Cayman Islands are treating immigrants fairly; however, the requirements to obtain PR will be more stringent.

Infrastructure

Prison
Critically assessed security of the prison facilities and presented a five-year plan to improve security and reduce recidivism.

Cruise berthing
The Cruise Terminal Development Steering Committee issued a Strategic Outline Case for a Cruise Berthing Facility in April.

PricewaterhouseCoopers, the firm that won the tender for developing the business plan, has subcontracted Mott MacDonald as internationally renowned marine engineers and environmental consultants to address the marine engineering and environmental factors vital to the feasibility of the project.

Owen Roberts International Airport
A new CIAA Board has been appointed as of July 2013 and has established five subcommittees to address matters in a more efficient manner: a Building Committee, a Governance Committee, a Policy & Structure Committee, a Security & Safety Committee, and a Finance & Legal Committee.
**Bodden Town Cemetery**
Phase 1 works commenced at the new Bodden Town cemetery. NRA will complete clearing and installation of fill for Phase 1. Tenders were awarded for the construction of perimeter wall, sidewalks, paving, landscaping, and the construction of 18 vaults.

**Electricity Regulatory Authority**
The ERA has successfully won a dispute with CUC regarding the recent base rate increase. The ERA expects there to be a credit applied to consumer bills in September and for the rate to be adjusted slightly downward commencing in September billings.

The ERA has succeeded in reaching a settlement with CUC to claim approximately US$950,000 with CUC insurers for additional fuel consumed due to catastrophic failures of generators in 2011. Proceeds will be credited back to consumers via the fuel charge thus reducing the balance in the CUC fuel tracker account.

**National Roads Authority**
Cabinet has given the ‘green light’ to NRA for the complete review and re-write of the Explosives Law as much of the referenced materials and the prescribed procedures relating to the import and handling of explosives are out-dated.

Have begun negotiations with the Dart Group on the National Roads Authority agreement.

**Investing in people**

**Education and training**
A total of 15 newly qualified Caymanian teachers (including six who trained with Sunderland University) took up teacher or acting teacher posts starting in August. New one-year Induction Programme for newly qualified Caymanian teachers initiated in August.

New anti-bullying intervention programme developed, in partnership with the Family Resource Centre, to be implemented by 12 trained staff in government primary schools beginning in September.

The Young Nation Builders Scholarship Programme transferred from the Office of the Premier to the Ministry of Education; the entire programme was reviewed to ensure value for money, fairness to all applicants and transparency in the way the scholarship fund is structured and administered.

19 Ministry of Tourism Scholarships have been awarded for the 2013/2014 period.

Continue to support the Passport2Success programme with 103 graduates obtaining full time employment and 11 in either employed part-time or unpaid internships.
**Housing**

**Affordable housing**
Completed construction of 20 Affordable Housing Initiative houses in Bodden Town. Obtained the Certificate of Occupancy for the remaining newly four constructed houses in West Bay Light House Garden. NHDT now in the process of allocating these houses to applicants.

**Family**

**Department of Children and Family Services**
The Department of Children and Family Services focused on improving services around Foster Care, Special Needs, Temporary Poor Relief Assistance and elderly care, services and programmes.

**Sports**

**Summer camps**
The Department hosted a series of summer camps for netball, swimming, and football across Grand Cayman, giving parents safe venues to send their children and encouraging healthy exercise and play.

**Basketball**
Basketball coaches took more than 20 teenagers to camps in Orlando and Miami, Florida, in order to allow players to be seen by college coaches.

**Football**
Worked aggressively with the Cayman Islands Football Association and CONCACAF to ensure that international standards were met to enable the Cayman Islands to host the hugely successful inaugural CONCACAF U 15 boys’ championships. Work has already commenced on the necessary preparations for the Women’s Under 20 Tournament in January 2014.
**Culture**

**Heroes Day**
Launched National Heroes Day under theme of Culture and Heritage.

**Cayman Islands National Museum**
Staff is conducting an on-going assessment and research of Collections by photographing them and entering the data into the Museum’s Past Perfect Collections Management Programme – (by the end of July the Museum had about 6,314 objects in the database).

**The National Gallery of the Cayman Islands**
The new NGCI building houses the first ever exhibition area for the Cayman Islands National Collection of art, ensuring that Caymanian art and art history is on display permanently.

Temporary exhibitions continue to be developed in the Lower Valley area, which allows for a constant rotation of new and current exhibition opportunities for the local art community and residents in the Eastern Districts.

**Environment**

**Conservation Bill**
Cabinet has decided that the new draft Conservation Bill will be presented to the House this calendar year.

**Cayman Brac Rock Iguanas**
Department of Environment coordinated and supervised a census of the Sister Islands Rock Iguana on Cayman Brac to track nesting adults.

**Stingrays**
The Department of Environment organised and executed the re-release of six remaining rays at Dolphin Discovery following the passage of the amendment to the Marine Conservation Law establishing protection measures for Southern Stingrays in Cayman waters.

**Mosquito Research & Control Unit**
Successfully completed two island-wide larviciding operations by aircraft, one including the Sister Islands, applying pellets to 16,000 acres of mosquito breeding areas. Recruited a young Caymanian scientist as Senior Research Officer to deal with scientific issues related to Dengue fever and control of the carrier mosquito Aedes aegypti.
Waste Management

Continuing discussions with the Dart Group on the best solutions for waste management at the existing site.

Scrap metal removal contract
On 9th August, a new Scrap Metal Removal contract was signed with a local private company and in turn, the sum of CI$250,000 (for 5,000 tons of scrap metals to be removed) was paid to Government for the onsite processing and removal of all scrap metals on the three landfills.

New garbage trucks
Three new rear loader garbage trucks (with 25-yard capacity) were approved by the Government and ordered.

Recycling
One 40-foot container load of various types of hazardous waste (totalling 2,365 gallons) as well as a shipment of contaminated used oil (6,000 gallons) was successfully shipped off island to Florida in accordance with the stricter USA regulations for the first time in many years.

Sister Islands
Plans have been submitted to the Development Control Board for changing rooms, bleachers, perimeter fence, and parking at the Cayman Brac Sports Complex.

Preliminary plans have been prepared for the hold baggage screening upgrade at the Charles Kirkconnell International Airport.

The Ministry of District Administration in conjunction with CONCACAF hosted a friendly football match at the Cayman Brac Sports Complex between the Cayman Islands Under 15 boys and the Belize Under 15 boys.

The installation of Cayman Brac Playfield Lights is under way and due for completion in October 2013.

Minor upgrades/repairs to Little Cayman Terminal Building were completed in Aug 2013. Received building permits for eight houses in the Affordable Housing Scheme.
E-Government

Planning online
An Online Planning System was introduced and will enable clients to submit the Planning Department inspection requests online. The system will drastically reduce the time it takes to process, execute and document an inspection.

General Registry
Piloting an upgraded and enhanced online system. Full implementation and an official launch are slated for 26 September 2013.

Next-day electronic scanning of all Trade and Business files saves time in filing, as well as in searching for files. Also, by creating and using electronic stamps and electronic signatures, staff efficiency has improved by about 18 per cent.

Governance

Standards in Public Life
Cabinet has determined it will bring the Commission for Standards in Public Life Bill to the House this calendar year. It covers a wide range of critical areas for good governance, including procurement, the way in which people are appointed to statutory authorities and government company boards, a new register of interests law and setting standards for the behaviour of public servants.

Justices of the Peace
The Government has agreed to an amendment to the Summary Jurisdiction Law to facilitate regulations to cover the selection, training and code of conduct of Justices of the Peace.

Regulations have been drafted and a training programme is being established.

Police Public Complaints Commission
The Government has agreed to set up a commission that will act as an independent civilian oversight body for the Police and will receive and order an investigation of any complaint made by a member of the public against a police officer and or civil servant acting under the auspices of the police. Amendment to the Police Law 2010 to establish the Commission will be taken to the next session of the House.

Cabinet
Cabinet, supported by the Cabinet Office, has begun the process of reviewing Cabinet’s Guidelines and a revised Code of Conduct for Cabinet.
Cabinet Ministers

Left to Right:
Hon. Marco Archer - Minister of Finance & Economic Development
Hon. D. Kurt Tibbetts, OBE, JP - Minister of Planning, Lands, Agriculture, Housing & Infrastructure
Hon. Tara Rivers - Minister of Education, Employment & Gender Affairs
Hon. Wayne Panton - Minister of Financial Services, Commerce & Environment
Hon. Osbourne Bodden - Minister of Health, Sports, Youth & Culture

Front Row:
Premier Hon. Alden McLaughlin, MBE, JP - Minister of Home & Community Affairs
The Former Governor Mr. Duncan Taylor, CBE
Deputy Premier Hon. Moses Kirkconnell, JP - Minister of District Administration, Tourism & Transport

Councillors

Left to Right:
Mr. Joseph Hew - Councillor to the Minister of District Administration, Tourism and Transport
Mr. Winston Connolly - Councillor to the Minister of Education, Employment and Gender Affairs
Mr. Alva Suckoo - Councillor to the Minister of Home and Community Affairs
Mr. Roy McTaggart - Councillor to the Ministers of Finance and Economic Development and Financial Services and Environment