



**CAYMAN ISLANDS  
LEGISLATIVE ASSEMBLY**

**OFFICIAL HANSARD REPORT  
ELECTRONIC VERSION**

**2014/15 SESSION**

**8 December 2014**

*Third Sitting of the Fourth  
Meeting (pages 741-788)*

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

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PRESENT WERE:

**SPEAKER**

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

**MINISTERS OF THE CABINET**

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

**EX OFFICIO MEMBERS OF THE CABINET**

Hon Jennifer Ahearn	Temporary Deputy Governor, ex officio Member responsible for the Civil Service
Hon Jacqueline Wilson	Temporary Attorney General, ex officio Member responsible for Legal Affairs

**ELECTED MEMBERS**

**GOVERNMENT BACKBENCHERS**

Hon Anthony S Eden, OBE, JP, MLA	<i>Deputy Speaker</i> , First Elected Member for Bodden Town
Mr Roy McTaggart, JP, MLA	Second Elected Member for George Town
Mr Alva H Suckoo, MLA	Fourth Elected Member for Bodden Town
Mr Winston C Connolly, Jr, MLA	Fifth Elected Member for George Town
Mr Joseph X Hew, MLA	Sixth Elected Member for George Town

**OPPOSITION MEMBERS**

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

**INDEPENDENT MEMBERS**

Mr D Ezzard Miller, JP, MLA	Elected Member for North Side
Mr V Arden McLean, JP, MLA	Elected Member for East End

**APOLOGIES**

Capt A Eugene Ebanks, JP, MLA	Fourth Elected Member for West Bay
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**OFFICIAL HANSARD REPORT**  
**FOURTH MEETING 2014-15 SESSION**  
**MONDAY**  
**8 DECEMBER 2014**  
**11:17 AM**  
*Third Sitting*

*[Hon. Juliana Y. O'Connor-Connolly, Speaker, presiding]*

**The Speaker:** Good morning.

I will ask the Honourable Minister responsible for Health to grace us with prayers.

### PRAYERS

**Hon. Osbourne V. Bodden:** Let us pray.

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

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

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

*The Lord bless us and keep us. The Lord make His face shine upon us and be gracious unto us. The Lord lift up the light of His countenance upon us and give us peace, now and always. Amen.*

**The Speaker:** Please be seated.

### ADMINISTRATION OF OATHS OR AFFIRMATIONS

**The Clerk:** Administration of oaths or affirmations, oath of allegiance and due execution by Ms. Jacqueline Wilson, the Honourable Acting Attorney General, ex officio Member for Legal Affairs to be the temporary ex officio Member of the Legislative Assembly.

#### OATH OF ALLEGIANCE

*[Administered by the Clerk]*

**Hon. Jacqueline Wilson, Acting Attorney General:** I, Jacqueline Wilson, do swear that I will be faithful and be a true allegiance to Her Majesty Queen Elizabeth II, her heirs and successors, according to law, so help me God.

#### OATH OF DUE EXECUTION

*[Administered by the Clerk]*

**Hon. Jacqueline Wilson, Acting Attorney General:** I, Jacqueline Wilson, do swear that I will well and truly serve Her Majesty Queen Elizabeth II, her heirs and successors, and the people of the Cayman Islands in the office of ex officio Member of the Legislative Assembly, so help me God.

**The Speaker:** On behalf of the honourable House, I welcome you and invite you to please take your seat. Please be seated.

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

#### HOUSE VISITOR

**The Speaker:** I have not received any notices of absences from Members for this morning.

I would like to acknowledge the presence of the Assistant Commissioner of Jamaica Constabulary, and Regional Oversees International Chaplin, Mr. Gary Welch. We trust that you will have a productive and intriguing observation of our Parliament today. Welcome to Cayman.

#### APOLOGY

**The Speaker:** Before calling the Member, I wish for the record to reflect the absence of the Fourth Elected Member for the district for West Bay, who did communicate that he would be off the Island for today.

I call on the Acting Deputy Governor.

## PRESENTATION OF PAPERS AND OF REPORTS

### PUBLIC SERVICE PENSIONS BOARD ANNUAL REPORTS YEARS ENDED 30<sup>TH</sup> JUNE 2012; 30<sup>TH</sup> JUNE 2013; 30<sup>TH</sup> JUNE 2014

**Hon. Jennifer Ahearn, Acting Deputy Governor:** Madam Speaker, I beg to lay on the Table of the honourable House the audited financial statements of the Public Service Pensions Board as at the 30<sup>th</sup> of June 2012; the 30<sup>th</sup> of June 2013; and the 30<sup>th</sup> of June 2014.

**The Speaker:** So ordered.

Does the Honourable Member wish to speak to it?

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

I shall offer a brief explanation of the components of the financial statements and then speak to the specifics of each of the financial statements, starting with the 30<sup>th</sup> of June 2012 and ending with the 30<sup>th</sup> of June 2014.

The audited financial statements just tabled consist of the statement of net assets available for benefits, the statement of changes in net assets available for benefits, the statement of cash flows, the statement of accumulated plan benefits and the notes to the financial statements.

The legal entity that holds the assets detailed in the financial statements component of the report is the Public Service Pensions Fund. The Fund is vested in the Public Service Pensions Board, which is responsible for investing the Funds' assets and administering benefits in accordance with the relevant pension laws.

The statement of net assets available for benefits for the fiscal year that ended the 30<sup>th</sup> of June 2012, indicate that the net assets of the Public Service Pensions Fund increased by approximately CI\$15.3 million, or 4.5 per cent. The net assets of the Fund stood at just over CI\$356 million at the 30<sup>th</sup> of June 2012.

The statement of net assets available for benefits for the fiscal year that ended the 30<sup>th</sup> of June 2013, indicate that the net assets of the Public Service Pensions Fund increased by approximately CI\$55.6 million, or 15.5 per cent. The net assets of the Fund stood at just over CI\$413 million at the 30<sup>th</sup> of June 2013.

The statement of net assets available for benefits for the fiscal year that ended the 30<sup>th</sup> of June 2014, indicate that the net assets of the Public Service Pensions Fund increased by approximately CI\$68.2 million, or 16.4 per cent. The net assets of the Fund stood at just over CI\$484 million as of the 30<sup>th</sup> of June 2014.

Madam Speaker, in terms of the operating activity of the Fund during the fiscal year ended the 30<sup>th</sup> of June 2012, the following summary is pertinent.

The Fund received total contributions during the year of \$29.6 million. The pension benefits paid out of the Fund during the year were \$29.9 million and the investment income was \$21.3 million. The other operating income was \$0.13 million and the operating and investment expenses totalled \$5.8 million. These items net off to approximately \$15.3 million, which is equal to the increase in net assets as of the 30<sup>th</sup> of June 2012, as I stated earlier, resulting from the investment performance of the Fund.

Madam Speaker, with regard to the operating activity of the Fund during the fiscal year that ended the 30<sup>th</sup> of June 2013, I will provide a summary as well.

The Fund received total contributions during the year of \$44.2 million. The pension benefits paid out of the Fund during the year were \$26.9 million. The investment income was \$44.8 million. Other operating income was \$0.14 million and the operating and investment expenses totalled \$6.7 million. These items have a net of approximately \$55.6 million, which is equal to the increase in net assets as of the 30<sup>th</sup> of June 2013, resulting from a combination of the strong investment performance of the Fund, as well as the Government contribution toward the past service liability, or fund deficit, in the amount of \$16.7 million.

With regard to the operating activity of the Fund during the fiscal year ended the 30<sup>th</sup> of June 2014, the following summary is pertinent.

The Fund received total contributions during the year of \$39.8 million. The pension benefits paid out of the Fund during the year were \$31.6 million. The investment income was \$67.8 million. Other operating income was \$0.15 million and the operating and investment expenses totalled \$8 million. These items have a net increase of approximately \$68.2 million, which is equal to the increase in net assets as of the 30<sup>th</sup> of June 2014, resulting from a combination of the strong investment performance of the Fund, as well as the Government contribution toward the past service liability, or fund deficit, in the amount of \$12 million.

Madam Speaker, the Auditor General issued a qualified opinion on the financial position of the Public Service Pensions Fund as of the 30<sup>th</sup> of June 2012, stating that the reason for his qualified opinion was due to his inability to verify the accuracy and existence of overpaid contributions amounting to \$1.7 million. However, the Auditor General subsequently issued an unqualified opinion on the financial position of the Public Service Pensions Fund for the years ending 30<sup>th</sup> of June 2013 and 30<sup>th</sup> of June 2014.

Madam Speaker, in closing, I would like to say thank you to the Managing Director, Ms. Jewel Evans Lindsey, and the CFO, Ms. Faith Ebanks for their hard work and efforts in bringing the Public Service Pen-

sions Board audits up to date. I invite the Members of this honourable House to review the reports in detail.

Thank you.

### COMPLAINTS COMMISSIONER'S OFFICE ANNUAL REPORT FOR THE 2012/13 FINANCIAL YEAR

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

**Mr. D. Ezzard Miller, Elected Member for North Side and Chairman of the Oversight Committee:** Thank you, Madam Speaker.

I beg to lay on the Table of this honourable House the Annual Report of the Office of the Complaints Commissioner for the 2012/13.

**The Speaker:** So ordered.

Does the Honourable Member wish to speak to his report?

**Mr. D. Ezzard Miller:** Just briefly, Madam Speaker, to note that this is the 8<sup>th</sup> Annual Report of the Office of the Complaints Commissioner of the Cayman Islands, and to encourage the general public as well as all Members to read the contents because there are some important investigations carried out and some important recommendations which I believe will contribute to enhancing the quality of governance for the country.

Also, Madam Speaker, to express my gratitude as Chairman of the Oversight Committee to Ms. Nicola Williams, for her professionalism in the way she has managed the Office of the Complaints Commissioner. No doubt Members would have noted from the press that she has recently resigned the office to take up a position in the UK, and it is unfortunate, Madam Speaker, that the powers that be, often treat these high-quality professionals with such disregard that lead to them deciding to leave our jurisdiction.

Madam Speaker, I also eagerly await the introduction of the Whistleblower legislation that we were informed in Cayman Brac that was so close to completion some several months ago. And we have not heard anything more about it because that, in particular, was one of the things that she sought to have done.

Thank you, Madam Speaker.

### FINANCIAL STATEMENTS FOR THE GOVERNMENT OF THE CAYMAN ISLANDS FOR THE YEAR ENDED 30<sup>th</sup> JUNE 2009

**The Speaker:** I recognise the Honourable Minister of Finance.

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

Madam Speaker, I beg to lay on the Table of this honourable House the Financial Statements for the Government of the Cayman Islands for the financial year ended 30<sup>th</sup> June 2009.

**The Speaker:** So ordered.

Does the Honourable Minister of Finance wish to speak to his report?

**Hon. Marco S. Archer:** Thank you, Madam Speaker, I do.

**The Speaker:** Please proceed.

**Hon. Marco S. Archer:** Madam Speaker, although the statements that have just been laid on the Table of this honourable House have the caption as being the financial statements of the Government, those financial statements are in fact for the entire public sector, consisting of central government, statutory authorities and government-owned companies (the SAGCs, of course, as we often refer to them).

Currently, the financial statements are produced with respect to 42 entities, that being 15 central government agencies and 26 SAGCs, and the segregated insurance fund, Madam Speaker. The 42 individual sets of financial statements, which all have a 30<sup>th</sup> of June 2009 year end, must be produced and sent to the Audit Office by the 31<sup>st</sup> of August for examination. By the 31<sup>st</sup> of October each year, the Treasury Department has to take each of those 42 individual agencies' financial statements and produce one overall set of financial statements, which represents the entire public sector.

The single set of financial statements is referred to as the "consolidated" financial statements of the entire public sector. It is the consolidated financial statements for the entire year, for the entire public sector for the year 2009, ending June 30<sup>th</sup> that were just tabled, Madam Speaker.

Madam Speaker, as was done in great volume on the 27<sup>th</sup> of November 2014, the public is accustomed to the individual financial statements being tabled in the Legislative Assembly, but the consolidated financial statements of the entire public sector have not been tabled with such regular frequency. It is the consolidated financial statements for the entire public sector that are perhaps of greater importance to the public, than the individual 42 agencies' financial statements.

The interrelationship between the 42 individual sets of financial statements for the 42 agencies outlined earlier, and the consolidated financial statements of the entire public sector also highlight a very important matter. The 42 individual agencies must constantly strive to improve their statements (and, Madam

Speaker, we have seen significant improvements in the last year or two) because the accuracy and quality of information in their own individual financial statements will impact the consolidated financial statements of the entire public sector. The statements just tabled are the second set of consolidated financial statements of the entire public sector that have been laid in this honourable House under the Public Management and Finance Law.

The consolidated financial statements for the year ended 30<sup>th</sup> June 2011, or the 2010/11 financial year, was tabled in the Legislative Assembly on the 9<sup>th</sup> of April 2014.

The production of the consolidated financial statements of the entire public sector has been challenging, Madam Speaker. I am able to report that in 2010/11, 2011/12, and the 2012/13, and the 2013/14 consolidated financial statements of the entire public sector have been submitted to the Auditor General by the 30<sup>th</sup> of October, the statutory deadline each year.

The consolidated financial statements for the year ended 30<sup>th</sup> June, 2010, 2012, 2013 and 2014 are currently with the Auditor General and as soon as those audits are finalised, the Government intends to table the statements in the Legislative Assembly.

Madam Speaker, purposefully, I will keep my contribution brief because the 2008/09 financial statements just tabled are now extremely dated.

*[Inaudible interjections]*

**Hon. Marco S. Archer:** Madam Speaker, on the 6<sup>th</sup> of May, 2014, the Auditor General issued a disclaimer of opinion on the 30<sup>th</sup> of June 2009, consolidated financial statements of the entire public sector. A disclaimer of opinion means that the Auditor General was unable to obtain sufficient and appropriate audit evidence to enable his office to form an opinion on the financial statements. The Auditor General's basis for the disclaimer of opinion was due primarily to the following:

- a. The lack of sufficient and appropriate evidence for some assets, some liabilities, and revenues and expenses;
- b. Limited management representations;
- c. Inability to substantiate the completeness, accuracy and proper disclosure of related party transactions; and
- d. Inability to substantiate opening balances at the 1<sup>st</sup> of July 2008.

Madam Speaker, with respect to efforts to improve the quality of financial information, the public sector agencies continue to make great strides in improving the quality of financial information, which in turn, will improve the Auditor General's opinion on the consolidated financial statements for the entire public sector.

Madam Speaker, just a few short years ago, the Auditor General issued disclaimer of opinion on 10, or almost 25 per cent, of the public sector reporting agencies. And only about one in three, or 33 per cent, received a clean, or unqualified, opinion.

Madam Speaker, I am pleased to report to this honourable House that according to statistics provided by the Office of the Auditor General, as at the 30<sup>th</sup> of October 2014, the Audit Office had completed 23 of the 42 audits for agencies of the public sector. Of the 23 agencies completed, 16 (or 70 per cent) received a clean, or unqualified, opinion. And seven (or 30 per cent) received a qualified opinion. No disclaimer of opinion has been issued thus far, Madam Speaker. I believe this change demonstrates that real progress has been achieved within a very short time, given the efforts of this administration.

In July 2013, a report on the valuation of the Government's fixed assets was completed and the Government will now be carrying current values on all of its fixed assets in the financial statements. This valuation will eliminate the Auditor General's audit finding on the lack of fixed asset valuations.

Actuarial valuations for Government pension and post-retirement health care benefits, were concluded in September 2014, and the current value of the obligations will be detailed in the 2013/14 financial statements. These valuations will assist tremendously in obtaining improved audit opinions from the Auditor General in future audits, Madam Speaker.

Government entities continue to focus on improving their internal controls to ensure that Government revenue and expenses are properly recorded, supported, and reported. As a result of this software upgrade of the Oracle system in December 2013, the 2013/14 financial statements should see some marked improvements in the quality of the reporting and delivery of accurate and timely financial information.

Madam Speaker, as an overview of the financial statements for the year ended 30<sup>th</sup> June 2009, the statement of financial position as at the 30<sup>th</sup> of June 2009, shows that the entire public sector, or the EPS, ended the financial year with CI\$1.6 billion in total assets, CI\$1 billion in total liabilities, and, therefore, CI\$0.6 billion in net assets. The Statement of Financial Performance for the year ended 30<sup>th</sup> June 2009, shows that the entire public sector earned CI\$665.6 million in operating revenue and incurred CI\$733.2 million in operating expenses. The resulting operating deficit was CI\$67.6 million.

The debt for the entire public sector stood at CI\$576.8 million as at the 30<sup>th</sup> of June 2009. The audited financial statements also include a table that shows a degree of compliance and noncompliance with the principles of responsible financial management. Such a table indicates that the Government was in compliance with the net worth and debt servicing ratios. The Government, however, was not in compli-

ance with the requirement for there to be a surplus, nor was it in compliance with the net debt ratio. And there was also noncompliance with the cash reserves ratio. Instead of there being a surplus as required, the entire public sector suffered a deficit of C\$67.6 million. The net debt ratio was 85.0 per cent of core government revenue; whereas, the ratio should not have been any more than 80 per cent. And cash reserves were equivalent to 69.9 days instead of the required 90 days minimum.

In conclusion, Madam Speaker, a disclaimer of opinion is not something that is desired; however, the financial statements in question represent the entire public sector's financial position in 2008/09—five financial years ago. Since these last years, the Government has made great strides in addressing the issues highlighted by the Auditor General. And I think the Auditor General is on record, Madam Speaker, saying that this administration has demonstrated a willingness to work with the Audit Office in trying to resolve some of these issues.

The Government assets are recorded in its books at their current values. The valuation of post-retirement health care benefits was concluded in September 2014 and details thereof will be disclosed in the Government's 2013/14 consolidated financial statements.

Madam Speaker, these actions will go a substantial way to resolving the major audit issues around the consolidated financial statements of the entire public sector. And such actions will provide users with more timely, credible, and reliable financial information for decision-making purposes. While there is still work to be done, it is expected over the coming years the Government's financial information will continue to see marked improvements and that our financial statements will serve as a model for jurisdictions in the region.

Thank you, Madam Speaker.

**GOVERNMENT OF THE CAYMAN ISLANDS  
CABINET OFFICE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2013**

**The Speaker:** I recognise the Honourable Premier.

**The Premier, Hon. Alden M. McLaughlin:** Madam Speaker, I beg to lay on the Table of the honourable House the financial statements for the year ended 30<sup>th</sup> of June 2013 with respect to the Cabinet Office of the Government of the Cayman Islands.

**The Speaker:** So ordered.

Would the Honourable Premier wish to speak to the report?

**The Premier, Hon. Alden M. McLaughlin:** Very briefly, Madam Speaker, to read from the Auditor General's report an excerpt in which he says:

**"I believe that audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.**

**"As the Cabinet Office did not maintain proper records on the beginning balance of property, plant, and equipment, I was unable to satisfy myself as to the completeness existence and valuation of property, plant, and equipment amounting to \$2,159,000 on the statement of financial position, as well as the potential impact on associated depreciation of \$628,000 reflected in the statement of financial performance.**

**"In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion, the financial statements present fairly, in all material respects, the financial position of Cabinet Office as at 30 June 2013 and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards."**

Madam Speaker, the Minister of Finance has just spoken to this Government's commitment to ensure that we do have proper valuations of all property, plant, and equipment for the Cayman Islands Government and hence, going forward, we ought not to have to have opinions of the Auditor General qualified because of that lack.

**GOVERNMENT OF THE CAYMAN ISLANDS  
OFFICE OF THE PREMIER ANNUAL FINANCIAL  
STATEMENTS FOR THE YEAR ENDED  
30<sup>TH</sup> JUNE 2013**

**The Speaker:** Once again, I recognise our Honourable Premier.

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

Madam Speaker, I beg to lay on the Table of this honourable House the Annual Financial Statements for the year ended 30<sup>th</sup> of June 2013 with respect to the Office of the Premier, Government of the Cayman Islands.

**The Speaker:** So ordered.

Would the Honourable Premier wish to speak to this report as well?

**The Premier, Hon. Alden M. McLaughlin:** Madam Speaker, again, very briefly, just to read the opinion of the Auditor General in which he says: **"In my opinion the financial statements present fairly, in all material respects, the financial position of the Office of the Premier as at 30 June 2013 and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards."** In other words, Madam Speaker, he has given an unqualified opinion with respect to these financial statements.

## QUESTIONS TO HONOURABLE MINISTERS AND MEMBERS OF THE CABINET

**The Speaker:** I recognise the Honourable Premier to move the suspension of Standing Orders 23(7) and (8), as we have passed hour 11:00 am.

### SUSPENSION OF STANDING ORDER 23(7) AND (8)

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

I move the suspension of Standing Orders 23(7) and (8) in order that questions may be asked beyond the hour of 11:00 am.

**The Speaker:** Thank you.

The question is that Standing Orders 23(7) and (8) be suspended to allow question time to commence and continue beyond the hour of 11:00 am.

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

**AYES.**

**The Speaker:** I believe the Ayes have it.

Accordingly, Standing Orders 23(7) and (8) is hereby suspended.

**Agreed: Standing Orders 23(7) and (8) suspended.**

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

### QUESTION NO. 18: CAYMAN AIRWAYS, NON PAYING PASSENGERS ON FLIGHTS TO CAYMAN BRAC

**Mr. D. Ezzard Miller:** Madam Speaker, I beg to ask Honourable Minister of District Administration, Tourism and Transport the following question, standing in my name: Can the Honourable Minister say how many times since January the 1<sup>st</sup> 2014 has Cayman Airways 737 Jet flown to and from Cayman Brac with no paying passengers?

**The Speaker:** I recognise the Honourable Minister for Tourism.

**The Deputy Premier, Hon. Moses I. Kirkconnell:** Thank you, Madam Speaker.

Madam Speaker, the answer: Cayman Airways has not flown any commercially scheduled roundtrip flights between Cayman Brac and Grand Cayman without paying passengers. Ferry/positioning flights, training flights and maintenance/test flights are not considered commercially scheduled flights.

At times, due to the natural passenger flows, particularly for tourists, it may be possible—

**The Speaker:** Honourable Minister, one moment, please.

*[Pause]*

**The Speaker:** Honourable Leader of the Opposition, supplementary?

### SUPPLEMENTARIES

**Hon. W. McKeever Bush, Leader of the Opposition:** Madam Speaker, we don't mind a verbal update, at least, if he can give one, I certainly would appreciate it.

*[Inaudible interjections]*

**Hon. W. McKeever Bush, Leader of the Opposition:** I am not objecting. I was only trying to catch the Speaker to say, Madam Speaker, that what he was about to say was not contained. I don't know about the Member asking the question, but I certainly don't mind a verbal update.

**The Speaker:** You are asking in the form of a question, for the Member to give a verbal update?

*[Inaudible interjection]*

**Hon. W. McKeever Bush, Leader of the Opposition:** Madam Speaker, I see the Member I think sitting back down and kind of relaxed, but I certainly would, if he can, appreciate it.

**The Speaker:** Honourable Minister for Tourism.

*[Inaudible interjection]*

**The Speaker:** I believe the question is to give a continued verbal—

**The Deputy Premier, Hon. Moses I. Kirkconnell:** Right. Thank you, Madam Speaker. Madam Speaker, I am happy to offer some more comments to the question.

Due to the natural passenger flows, particularly for tourists, it may be possible for a flight to have little or no passengers in one direction but a substantial load in the other direction which warrants the flight.

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

**Mr. D. Ezzard Miller:** Through you, Madam Speaker, can the Member say, according to his answer, if Cayman Airways is now using the actual 737 [aircraft] for training flights as opposed to simulators?

**The Speaker:** Honourable Minister for Tourism.

**The Deputy Premier, Hon. Moses I. Kirkconnell:** Madam Speaker, I believe that the simulator always has to be used, as what I know about the pilots and the testing that they have to go through, and so, my answer would be that they continue to use the [simulator].

**The Speaker:** If there are no further supplementaries, we will move on to the next question.

**QUESTION NO. 19: CAYMAN AIRWAYS,  
AVERAGE NUMBER OF PASSENGERS  
FROM MIAMI TO CAYMAN BRAC**

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

I beg to ask the Honourable Minister of District Administration, Tourism and Transport, Can the Honourable Minister say what has been the average number of passengers per flight from Miami to Cayman Brac since the 1<sup>st</sup> of January, 2014?

**The Speaker:** I recognise the Honourable Minister responsible for Tourism.

**The Deputy Premier, Hon. Moses I. Kirkconnell:** Thank you, Madam Speaker.

Madam Speaker, the answer: The flight from Miami to Cayman Brac and on to Grand Cayman is KX123, which was created by routing an existing flight between Miami and Grand Cayman through Cayman Brac, so that the only additional cost was the hop from Cayman Brac to Grand Cayman. Flight KX123 has had the following average numbers of passengers' for each segment, since 1<sup>st</sup> of January 2014:

- From Miami to Cayman Brac, 27;
- From Miami to Grand Cayman, 35 (a total of 62 from Miami to Cayman Brac.);
- From Cayman Brac to Grand Cayman, 44 (a total from Cayman Brac to Grand Cayman of 79.)

**The Speaker:** Member for North Side.

**SUPPLEMENTARIES**

**Mr. D. Ezzard Miller:** Through you, Madam Speaker, the Member says that that is the total. What I asked for was the *average* number per flight, and only between Miami and Cayman Brac.

Are you saying that these numbers here are the total number of passengers that have been taken on that flight since January—62?

*[Inaudible interjections]*

**The Speaker:** Honourable Minister for Tourism.

**The Deputy Premier, Hon. Moses I. Kirkconnell:** Madam Speaker, the Member asked for the average. The average from Miami to Cayman Brac is 62.

**The Speaker:** If there are no further supplementaries, that concludes question time.

**STATEMENTS BY HONOURABLE  
MEMBERS AND MINISTERS  
OF THE CABINET**

**The Speaker:** I have given approval for the Honourable Premier to make four Statements this morning. Honourable Premier?

**JOINT MINISTERIAL COUNCIL 2014 MEETING**

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

Madam Speaker, this past week from December 1<sup>st</sup> through the 4<sup>th</sup>, I lead a small delegation to London to attend the Joint Ministerial Council [JMC] Meeting that included the Minister for Financial Services, Commerce and Environment and supported by JMC Sherpa, Jason Webster; Cabinet Secretary, Mr. Samuel Rose; Chief Officer, Mr. Eric Bush; and Senior Political Advisor, Mr. Roy Tatum.

Her Excellency the Governor, Ms. Helen Kilpatrick, also attended, as did several of her fellow governors from other Overseas Territories [OT].

Madam Speaker, the Joint Ministerial Council is the highest forum that brings together—

**Hon. W. McKeever Bush, Leader of the Opposition:** Madam Speaker, I hate to—

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

**Hon. W. McKeever Bush, Leader of the Opposition:**—butt in at this time to the Minister's Statement. I am trying to get a copy so I can follow just in case I have a question.

**The Speaker:** Madam Clerk.

*[Pause]*

**The Speaker:** Please continue on, Honourable Premier.

**The Premier, Hon. Alden M. McLaughlin:** Thank you, Madam Speaker, and I apologise for that little lapse.

Madam Speaker, the Joint Ministerial Council is the highest forum that brings together UK Ministers, including Minister James Duddridge who now has responsibility for the Overseas Territories, and senior officials of Her Majesty's Government [HMG] with the

elected leaders and representatives of the Overseas Territories to discuss matters of mutual interest between the UK and the Territories. The Foreign Secretary, the Right Honourable Philip Hammond, also attended the closing session and spoke.

You may recall, Madam Speaker, that in July of this year we hosted many heads of the OTs and their delegates in Cayman for a very successful pre-JMC meeting to plan for the actual JMC. I can say that this was extremely useful as it allowed us to discuss and agree on common positions.

So, I was happy Madam Speaker this past week to meet once again with my fellow OT leaders and have useful discussions between ourselves, the UK Minister and officials. I hasten to add that while much of the discussions were useful, the OTs and the UK did not always agree. But fortunately, Madam Speaker, there was more agreement than not, and after much discussion a final joint communiqué was produced.

Madam Speaker, as I sat at the table with my fellow Overseas Territory heads of government and the UK delegates, we were all reminded that indeed, the sun still does not set on the United Kingdom, her territories and crown dependencies. From the Caribbean to the North Atlantic, the South Atlantic, the Indian Ocean, the Iberian Peninsula and Europe to the Pacific Ocean, the Overseas Territories and Crown Dependencies may be individually relatively small in size, but we are an international grouping with diverse experiences and with a rich and proud history and people.

I would also note, Madam Speaker, regardless of what some may think, the relationship between the Overseas Territories, Crown Dependencies, and the UK remains mutually beneficial. The UK benefits in many ways from the relationship, including in meeting its environmental obligations, as the Overseas Territories have some of the most biodiverse environments around, in fact, accounting for more than 90 per cent of such biodiversity found within the UK and its Territories. And similarly, the Overseas Territories, including Cayman, also benefit from historic and constitutional arrangements.

Madam Speaker, I wish at this time to place on the Table of this honourable House a copy of the communiqué that was agreed by the Overseas Territories and the United Kingdom that sets out the commitments and expected outcomes of this year's JMC.

Members will see that it addresses many areas covered during the week of discussions and side meetings, including acknowledging the obligations of the United Kingdom to its Territories, the protection of children, enhancing the economies of the OTs, matters concerning the environment, required major projects, security and crime and other matters.

Specifically, the 2014/15 roadmap includes working jointly to raise international standards to tackle money laundering, tax evasion, illicit finance and

corruption and leading by example because our financial centres are of great importance to the international financial system. That roadmap also implores the UK Government to explore with international partners on how Territories can engage directly to commission technical and policy supports to introduce renewable energy sources.

Another roadmap mandate was the ratification of multilateral environmental agreements. I was proud that the Minister of the Environment, Minister Panton, was able to tell of our successful adoption last year of a National Conservation Law and the regulations that will soon be adopted to help ensure that law is enforceable. However, Madam Speaker, I also wish to speak this morning specifically about two key issues of importance to our Islands, to the Members of this honourable House.

Madam Speaker, you may recall that the United Kingdom has been pressing its Overseas Territories and Crown Dependencies to consider implementing a central registry and/or a public register on beneficial ownership of legal entities.

Honourable Members of this House may know that we have completed a survey of businesses regarding this issue and a majority of the responses, as expected, indicate firmly that a central registry is unnecessary and that a public registry would spell disaster for our financial services business.

Additionally, unless such registers become the new global standard and are being used by all major players—including the United Kingdom—then neither we nor any other Overseas Territory or Crown Dependency intend to go first and have our economies experimented with and potentially damaged.

Madam Speaker, I wish to remind Honourable Members that back in February of this year I travelled to the United Kingdom where I gave a keynote address at Chatham House followed up by an interview on the BBCs *Hard Talk* programme. I was speaking very plainly when I said that Cayman is ahead of the United Kingdom when it comes to knowing the beneficial owners of companies.

I was also plain speaking when I said that Cayman would not participate in any initiative such as a public register of beneficial owners without this being a global standard that all would follow and indeed were actually practicing. I have repeated this at every discussion with the United Kingdom, including with former Minister Simmonds when he visited Cayman last year. And we continued this stance during the JMC planning sessions with the United Kingdom prior to the meeting.

I wish to advise this honourable House and the country that although on the last day of the Joint Ministerial Council there were attempts by the United Kingdom for the Overseas Territories to agree to introduce a central register of beneficial ownership and to work toward the possibility of making this public in the future, I, together with Minister Panton, remained

firm when I again stated our position, and I am pleased to say that so far, all of the Overseas Territories and Crown Dependencies stand united on this issue.

Our position, Madam Speaker, is that we have examined and are in agreement with the “10 Principles on Beneficial Ownership” as agreed at the recently concluded Brisbane G20 Summit. One of which is the following (and I am quoting): **“Countries should ensure that competent authorities (including law enforcement and prosecutorial authorities, supervisory authorities, tax authorities and financial intelligence units) have timely access to adequate, accurate and current information regarding the beneficial ownership of legal persons. Countries could implement this, for example, through central registries of beneficial ownership of legal persons or other appropriate mechanisms.”**

Madam Speaker, we are firmly of the view that our current system has worked effectively and efficiently for a very long time and it meets the above criteria very well. And many of our fellow Overseas Territories and Crown Dependencies feel the same way about their own regimes and, as I noted, we stand united on this issue. Hence, we see no need for a central registry that would increase cost to business and the country and also create a potential single data source, which motivated and skilled individuals could hack into for gain.

So, under the G20 principle, countries could opt for a central registry or use another appropriate mechanism that would provide the same outcome to quickly and efficiently provide law enforcement with information on beneficial ownership of entities that may be involved in criminal activity. Our systems do this now, as I have said, and it works well though we intend to improve on that system to further improve efficiencies.

Madam Speaker, it is noteworthy that none of the G20 principles speak to a public registry at all—and I suspect this is for good reason—because it is a bad idea and none of the G20 (other than the UK) will likely implement it. And neither will the Cayman Islands.

So Madam Speaker, as can be seen in the JMC Communiqué, the outcome as regards this issue was noted as follows (and I am quoting from the communiqué now):

**“[Jointly] work together in raising international standards to tackle money laundering, tax evasion, illicit finance and corruption, leading by example given the importance of our financial centres to the international financial system. We agree to meet again ahead of the G20 meeting of Finance Ministers and Central Bank Governors in February to agree a way forward on implementation of the G20 principles on beneficial ownership.”**

So, Madam Speaker, we have noted in the communiqué our agreement with the G20 principles on beneficial ownership and we have also agreed to meet again with the UK prior to the upcoming G20 Summit to discuss this issue some more. In the interim, we will discuss this again with industry stakeholders to ensure that their views have not shifted. If it has not, then we intend to again stand firm.

Secondly, Madam Speaker, I wish to update the House regarding the issue of the United Kingdom Government’s centralisation of processing of passports. The implementation of the repatriation/centralisation of passports has been delayed, yet again, to May 2015.

Until the repatriation is complete, the Cayman Islands Passport Office will continue to manufacture Cayman passports from its current stock. But stocks are running out and indeed may be finished by the time the UK implements its new system, so there is no room for any further pushbacks.

The decision to repatriate and centralise the manufacturing of all UK passports, including Overseas Territories passports like our Cayman Islands passport, was made unilaterally by the United Kingdom Home Office without any consultation with Cayman or other Overseas Territories. And the decision was made long before this Government took office.

As I have reported before, we have been able to ensure that aspects of a British Overseas Territories Citizen [BOTC] passport, such as the name of the territory on the front, remains. We have also had robust talks with Her Majesty’s Government regarding timeframes for the manufacturing of the new passports to ensure that this is done as fast as possible and also for the Cayman Passport Office to maintain control over the actual issuing of passports. And we also raised the concern regarding the need for Cayman and other Overseas Territories to be able to provide emergency passports when needed.

The issue of emergency passport issuance is, however, still outstanding. I made strong representation to the Home Office and the Foreign and Commonwealth Office [FCO] that this must be treated as a priority. In response, the Home Office acknowledged that it understood the need and has agreed to send a small number of officials involved with the repatriation project to Cayman early next year. I have also requested that this subject be added to a follow-up meeting scheduled with the Foreign and Commonwealth Office in January or February next year.

Madam Speaker, on a more pleasant note, I wish to confirm that not all aspects of the week were quite as tense, as we had several enjoyable interactions.

We hosted an event at the London Office for Caymanian students attending university in the United Kingdom last Saturday evening. This was very well attended and it was heartwarming as well as a proud evening to see the calibre of our students and to hear

how well they are doing and benefitting in the UK. I recall well, Madam Speaker, that, it was under the previous PPM [People's Progressive Movement] administration that we were able to get the UK to agree for students from the Overseas Territories to pay "home fees" in the United Kingdom—thus making university more affordable to families and for Government where scholarships are concerned. This has dramatically helped to encourage more Caymanians to look to the UK for quality tertiary education. Currently, there are some 147 Caymanians on Government scholarship in the United Kingdom.

I am also pleased to advise, Madam Speaker, that last Thursday evening we were able to host a dinner reception for business people and friends of Cayman and this too was very successful and we were able to rekindle old friendships and make new friends for Cayman.

I told those gathered, Madam Speaker, that in Cayman we are able to mesh the world of the idyllic with the real working world of high finance, but that it didn't happen by accident or overnight. Hard work and dedication have brought the Cayman Islands to its envied and sought after position on the world stage.

Those who attended now know that because of the fiscal policies this administration has adopted, over the next few years we will see Government improving its net financial position, building infrastructure for generations to come, creating employment opportunities through the private sector and, overall, supporting economic growth.

In reviewing Cayman's financial outlook for the next projected budget year and further into the future, we see a positive outlook with continued fiscal restraint while remaining compliant with international regulations. It is our goal and self-imposed mandate to continue to reduce Government debt while steadily increasing cash balances and reserves.

I was able to share with them, Madam Speaker, the measures we are taking to diversify and grow Cayman's economy, update them on Health City Cayman Islands, inform them of the opportunities available to them through our Special Economic Zones and our plans to grow the financial services industry.

On Friday, our last day in London, we spent a considerable amount of time looking for new office accommodations, as the rent for the Cayman Islands London office at its current location will be increasing significantly next May. The Progressive's-led Administration is committed to finding ways to trim down the expenses of Government both at home and overseas.

Madam Speaker, the Ministry of Home Affairs is in the advanced stages of the second recruitment process in search of the next Cayman Representative and Director of the Cayman Islands London Office.

Like the previous exercise, a number of applications from willing Caymanians were received by the Ministry. The recruitment panel has decided on a

short list based on the set criteria of skills and experience, and interviews and an assessment centre are being scheduled in the coming weeks. It is expected that I will be able to make an announcement as to who is the next Cayman Representative and Director of the Cayman Islands London Office will be early in the New Year.

Lastly, Madam Speaker, on Thursday Minister Panton and I met with Minister Duddridge and discussed several matters including cruise berthing and other major projects, as well as the passports issue and, of course, beneficial ownership, amongst other things. The meeting was useful and we are hopeful that the matters addressed were duly noted and will be actioned as appropriate.

Madam Speaker, this concludes my Statement with regard to the Joint Ministerial Council for 2014. I would note that next year Bermuda will host the Pre-JMC meeting. I promise Honourable Members to keep them abreast of the specific items mentioned.

Thank you, Madam Speaker.

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

**Hon. W. McKeever Bush, Leader of the Opposition:** Thank you, Madam Speaker.

Under Standing Order 30(2), I think, I would like to ask a brief question.

**The Speaker:** You may ask a maximum of three brief questions.

### SHORT QUESTIONS

*[Standing Order 30(2)]*

**Hon. W. McKeever Bush, Leader of the Opposition:** Thank you, Madam Speaker.

Madam Speaker, Government recently signed a tax agreement in Germany. I wonder if the Premier can say whether that agreement includes beneficial ownership for companies in Cayman. Or, does that contain any information, any reference to or for a public registry on beneficial ownership?

**The Speaker:** Honourable Premier, before your response, if I could revert back to your Statement. You had intimated that you wished to lay a document. If you have that document with you, perhaps you could lay it at this time.

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

Before I respond to the question, I would like to seek your leave to lay on the Table of this honourable House the Communiqué of Joint Ministerial Council 2014.

**The Speaker:** So ordered.

*[Joint Ministerial Council Communiqué 2014 document tabled]*

**The Premier, Hon. Alden M. McLaughlin:** Madam Speaker, it is still entitled on this document “draft,” but this is the actual document. I do not know if you wish to wait until I actually get the one that doesn’t have “draft” in the text. But this is the same copy.

**The Speaker:** If it is verbatim in the same document, then perhaps what I may wish to do is to red-pencil “draft.”

*[Inaudible interjections]*

**The Speaker:** Honourable Premier, you may proceed with your response to the Leader of the Opposition’s question at this time.

**The Premier, Hon. Alden M. McLaughlin:** Madam Speaker, the Minister of Financial Services actually attended the signing in Berlin. It wasn’t me. But I do know what transpired. That agreement was not dealing at all with this issue of beneficial ownership or public registries. That is a quite separate and distinct matter.

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

**Hon. W. McKeever Bush, Leader of the Opposition:** Thank you, Madam Speaker.

Madam Speaker, in regards to the recruitment panel for the London [Office representative], can the Minister say who they are?

**The Speaker:** Honourable Premier?

**The Premier, Hon. Alden M. McLaughlin:** Madam Speaker, I was looking around to see if the Cabinet Secretary is here. I don’t myself know.

**The Speaker:** He is.

*[Pause]*

**The Premier, Hon. Alden M. McLaughlin:** Madam Speaker, the Cayman Islands Government Office is under the Ministry of Home Affairs and my Chief Officer, Mr. Eric Bush, is not here at the moment. He will know but I do not want to guess. I think I remember a couple of names, but I don’t want to guess. I will undertake to let the Leader of the Opposition know before the end of the day.

**The Speaker:** Honourable Premier, I recognise you for your next Statement please.

#### ELECTORAL BOUNDARY COMMISSION

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

Madam Speaker, this is a Statement with respect to the Electoral Boundary Commission.

Madam Speaker, as you are aware, on 10 September 2014, I moved a motion on behalf of this administration in the Legislative Assembly seeking, among other things, the establishment of an Electoral Boundary Commission [EBC] to carry out the work necessary to divide the Cayman Islands into single member electoral districts. The motion was successful.

Madam Speaker, the Government Motion invited the Governor to appoint the Electoral Boundary Commission with sufficient time to have the changes effected in time for the 2017 General Elections. The Governor has accepted the invitation and sent letters to myself and the Leader of the Opposition inviting us to each recommend one person to be a member of the Electoral Boundaries Commission.

I have advised Her Excellency that Ms. Adrienne Webb should be appointed to the Commission in accordance with section 88(2)(b) of the Cayman Islands Constitution Order 2009, and I hope the Leader of the Opposition will advise the Governor of his nominee shortly. I expect that the Governor will shortly make an announcement regarding the establishment of the Electoral Boundary Commission and the appointment of the chairman.

**The Speaker:** Honourable Leader of the Opposition?

**Hon. W. McKeever Bush, Leader of the Opposition:** Madam Speaker, just to answer, if I may, the Premier’s query on where we stand as to the appointment.

Everyone knows that I am against what they are trying to do; nevertheless, we have informed Her Excellency the Governor of our appointment to the Commission, which is well-known Cayman barrister, lawyer, Mr. A. Steve McField.

As I said, the House well knows that I don’t agree with the mess that they are trying to create and I hope that my nominee will carry that message there.

**The Speaker:** Honourable Premier, I recognise you for your next Statement please.

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

Madam Speaker—

**The Speaker:** Honourable Premier, sorry, one minute.

Member for East End, were you trying to catch my eye?

**Mr. V. Arden McLean:** Yes, Madam Speaker.

**The Speaker:** I beg your pardon. Please proceed.

**Mr. V. Arden McLean, Elected Member for East End:** Madam Speaker, there are questions on the Floor of this honourable House which were submitted long in advance of the Premier making a Statement here.

I just don't understand why the questions cannot be put on the Order Paper, but he can come with the answers in his Statement, and it is called "anticipation."

**The Speaker:** Are you directing [that] as a question to a particular Member of Government?

**Mr. V. Arden McLean:** No, Madam Speaker, I am asking for a clarification from you. How can the Premier anticipate a question—he has the answer to the question, but he won't answer the question—and make a statement?

**The Speaker:** I am afraid I cannot anticipate the intentions of the Premier. I do not sit on the Business Committee to set out what the Order Paper is. If a Statement comes, I merely have to approve it according to the guidelines, and that is exactly what I have done. Members of Government have questions and that is why I asked if you had a particular Minister whom you wanted to ask why the questions were not answered. I cannot assist with that; I wish I could.

**Mr. V. Arden McLean:** Well, Madam Speaker, what I am asking is: How can this House, which is the Chair, allow any Member of the Government with questions on the Order Paper—which should be answered in a timely manner in accordance with the Standing Orders—be allowed to circumvent those questions with statements. That is merely all I am asking.

The Chair approves the business of the House, that whether or not it is obnoxious that it comes to the House; the Business Committee approves when it gets on to the Order Paper; but certainly Statements should be considered pre-empting the business that has already been approved by the Chair.

**The Speaker:** I take note of your concern, but I do not concur that that has happened in this case.

The Minister brings a Statement and I approve the Statement in accordance with the guidelines. I do not delve into the anticipation rule as it relates to other aspects there. All Members know that questions should be answered in a timely fashion. There is provision for it to be done in writing. I cannot defend, nor would I endeavour to defend, any Government Minister for not answering the questions. They obviously have justifiable reasons and they are more than capable of defending those positions.

**Mr. V. Arden McLean:** May I, Madam Speaker, humbly ask of you, who then decides whether it is "anti-

pation" or not, since you have just said that the Chair does not dwell in that.

**The Speaker:** No, I did not say that. I said the Chair does not dwell as far as defending whether the Ministers answer in a timely fashion or not. The questions are given to the Ministers. I look to see whether they come in within the 10 days before the time and whether the questions are within the Standing Orders. They are sent to the relevant portfolios or ministries. It is then left for the Members of the Opposition to question, if they so desire, why they are not here in time or to either accept it in writing, if they are so desirous.

As far as the rule of "anticipation" it is dealt with in Standing Orders and I deal with it when it deals with motions, [and] with various other matters. When it comes, I look at the Statements; there are a number of different prerequisites. I have looked at the Statements this morning and I was satisfied that it did not infringe any of those prerequisites.

Honourable Premier.

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

Madam Speaker, I was trying to be helpful to the House. If the Member wishes to ask questions, with respect to the Statement, I am more than happy to take them.

**Mr. V. Arden McLean:** Madam Speaker, that was not—

**The Speaker:** Honourable Member for the district of East End.

**Mr. V. Arden McLean:** Madam Speaker, the Premier does not have to invite me to do that because I know exactly where I can do that. My question and intervention here is about the questions that were submitted in accordance with the Standing Orders prior to the resumption of this Legislature, which is, we are required to submit them 10 working days in advance. I did do that, and now we have a statement being made prior to questions being answered. That is my concern.

**The Speaker:** Honourable Premier.

#### ROYAL CAYMAN ISLANDS POLICE SERVICE

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

Madam Speaker, the next Statement: We will have seen—all of us—read or heard in the media recently of unfortunate circumstances surrounding the Department of Immigration and the Royal Cayman Islands Police Service, as well as Cayman Islands Prison Service.

While I do not want to get into specifics, it has been noted that two top Immigration Department offi-

cials are on paid suspension, or required leave, and a third faces charges before our court system next year.

Madam Speaker, we are also facing some pressing issues within the prison service and again, while I will not go into detail, it has been widely reported that a prison officer placed on required leave has now resigned following an investigation concerning allegations of a previous criminal conviction. That revelation came on the heels of the shocking news that a former Royal Cayman Islands Police Service [RCIPS] officer had been convicted of murder in Jamaica.

And it is with a heavy heart that I have to report that my own political assistant has had to be placed on required leave as he faces charges in court.

As I have stated in the press, these issues cause me great concern, but I am satisfied that the appropriate actions have been taken in each instance and I expect that the investigations will be carried out thoroughly and efficiently.

Madam Speaker, I want to assure this honourable House and the country that the Progressive's-led Administration is doing all that it can to continue to restore and maintain the good name of the Cayman Islands and, in so doing, will dig deep when allegations are made of wrongdoing.

Placing our employees on administrative leave in no way implies their guilt of any accusation. It is a formality to protect them and the integrity of each investigation. This Government will continue to take seriously and investigate any and all reports of maladministration and misconduct. If we cannot restore the faith of all in the Cayman Islands, then we have failed to do what was mandated of us in the polls in May 2013.

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

#### SHORT QUESTIONS [Standing Order 30(2)]

**Hon. W. McKeever Bush, Leader of the Opposition:** Just one question, Madam Speaker, under the relevant Standing Orders.

**The Speaker:** Please proceed.

**Hon. W. McKeever Bush, Leader of the Opposition:** Madam Speaker, in connection with anyone on a contract, as is the Premier's Assistant, how do you place them on required (I think that is what you call it "required") leave? How is that done? Just for information, if you can't say so now I will accept it in writing. I know that he is not a civil servant. He is a member—

**The Premier, Hon. Alden McLaughlin:** Political appointee.

**Hon. W. McKeever Bush, Leader of the Opposition:** Well, a political appointee, and a former candidate. But he is not a civil servant, which I think the "required leave," is a phraseology used for civil servants.

**The Speaker:** Honourable Premier.

**The Premier, Hon. Alden M. McLaughlin:** Madam Speaker, the Leader of the Opposition is right. Political appointees are not strictly subject to the personnel regulations. But after discussions with the Cabinet Secretary and the Deputy Governor, now Acting Governor, it was determined that the best course and most obvious and fair course was, as far as possible, to mirror what is done with respect to civil servants when they are matters such as this.

And so—

*[Inaudible interjection]*

**The Premier, Hon. Alden M. McLaughlin:** Yes.

So, he has been placed on required leave in the same way that a civil servant would, and as has been done very, very recently in the matters to which I referred when I was making the Statement.

**The Speaker:** I recognise the Member for East End.

**Mr. V. Arden McLean:** Madam Speaker, the Premier said on page 2: "As I have stated in the press, these issues cause me great concern, but I am satisfied that the appropriate actions have been taken in each instance and I expect that the investigations will be carried out thoroughly and efficiently." Madam Speaker, I wonder if he would like to tell us if that includes the three areas in particular that he has concerns about—prison, immigration, and police; if they are all under investigation, particularly the murderer, as to how he got here.

**The Speaker:** Honourable Premier.

**The Premier, Hon. Alden M. McLaughlin:** Madam Speaker, I am not privy to the intimate details with respect to the matter specifically referred to by the Member for East End, that is the hiring and conduct thereafter with respect to the employment of the police officer who was subsequently convicted. The matter, I know, is being looked into. I can't tell you what the results are; I don't know if they are results at this stage. As I will indicate in a subsequent Statement, Her Excellency the Governor is still away and I have not had the opportunity to talk in any great detail with her regarding that specific matter. But I did have a short briefing from the Acting Governor this morning.

**The Speaker:** Honourable Member for East End.

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

Madam Speaker, seeing that no Member in here appoints the Commissioner of Police and is not responsible for the operation thereof, of the Police Services—all of this broke just prior to him leaving to the United Kingdom and whilst he was in the United Kingdom—has the Minister taken the sage advice he gave the Government of 2003, to discuss this matter with the FCO and the sitting Governor?

**The Speaker:** Honourable Premier.

**The Premier, Hon. Alden M. McLaughlin:** Madam Speaker, if the Member will wait until I read my next Statement, we may be able to take this further.

**The Speaker:** Member for East End.

**Mr. V. Arden McLean:** Madam Speaker, I am at the whim and fancy of the Government. Whatever they decide I will just have to live with.

**The Speaker:** I called on you, Member, because he actually shifted the discretion to you and asked to solicit your consent. I was just seeking to see whether you would agree to wait or whether you want an answer now.

**Mr. V. Arden McLean:** Madam Speaker, whatever the Premier wants to do. If it is not answered I will ask him again.

**The Speaker:** Honourable Premier.

### COMMISSIONER OF POLICE

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

Madam Speaker, I and the Government are very conscious of the concerns relating to the performance of the Commissioner of Police and of the calls by Members of this House and others for him to be removed from office. Indeed, one Member of this House has gone as far as to threaten to bring a motion to have the House declare its lack of confidence in the Commissioner.

While I and others have grave doubts about the constitutionality of any such motion, it is an example of the strength of feeling in relation to the Commissioner. Despite the emotive nature of this matter, I urge all members of the House to exercise restraint in what is said and done in relation to this issue and to not act pre-emptively. If we act in haste, we are likely to repent at our own expense.

The Commissioner is appointed by the Governor and does not fall under the remit of the elected Government. Her Excellency is currently out of office and will not return until next Monday. I ask all Members of this House to exercise patience to enable me to discuss this matter with Her Excellency the Gover-

nor and to give her the opportunity to address the concerns raised.

**The Speaker:** I recognise the Honourable Leader of the Opposition followed by the honourable Member for the district of North Side [*sic*].

### SHORT QUESTIONS

[*Standing Order 30(2)*]

**Hon. W. McKeeva Bush, Leader of the Opposition:** Madam Speaker, it is to the Statement here—

**The Speaker:** Sorry. It is the Member for East End. Sorry, sir. I said the Member for North Side and I should have said the Member for East End.

**Hon. W. McKeeva Bush, Leader of the Opposition:** The Statement here is certainly of grave circumstances and I will agree with the Premier. Certainly, I want to hear where he is heading with the issue as the Minister of Home Affairs, but understanding where the Governor resides in this issue. However, on the matter of constitutionality of an issue of lack of confidence, this House has every right to do so if any Member so desires, and certainly has a seconder to do so. But I agree with the Premier. I want to hear from him because he will naturally have to wait to hear from Her Excellency the Governor.

**The Premier, Hon. Alden M. McLaughlin:** Madam Speaker, I don't want to get in an argument about constitutionality of lack of confidence motions against the Commissioner. That's not the purpose of my making the statement. I raised it because, as I said, it is an example of the strength of feeling that is around about this issue.

I am hopeful that this matter can be resolved without—and let me be frank—without us winding up in the mess that is usually the case when these things arise. We have recently had to pay, I can't remember the precise sum, but it was in the seven figures, to the former Commissioner of Police. Government has a bad habit of making pre-emptive decisions which wind up costing the public purse huge sums. All I am urging is patience and restraint while I, as Premier, have the opportunity to discuss how we manage this issue with Her Excellency the Governor.

The Commissioner is appointed by the Governor; the elected Government has no responsibility constitutionally for that. But we all know who takes the heat and the blame and who is held accountable by the public. Sitting where I sit and having sat where I sat for 14 years, I am keenly conscious, I promise, as conscious as anybody else in this House of this issue. I am just urging that we deal with the matter carefully and correctly, following all due process. That is all I am urging.

**The Speaker:** Member for East End.

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

Madam Speaker, I am glad to hear that the Premier is recognising who is going to take the blame or who is going to be blamed. That also includes us on this side; at least me. I know I can't speak for the other four but I would think so too. So, in that vein, I would then ask the Premier if there is any intention of asking any of us from this side to sit in on those discussions that he intends having with the Governor.

**The Speaker:** Honourable Premier.

**The Premier, Hon. Alden M. McLaughlin:** Madam Speaker, certainly not in the first instance. Whether Her Excellency would be willing to entertain petitions (or whatever we call them) from the other Members is not something that I can answer, but I will certainly make plain to her, when I do speak to her, the wish and desire of Members on the other side to engage her on this issue.

**The Speaker:** Member for East End.

**Mr. V. Arden McLean:** Madam Speaker, I know the Premier knows that this is a matter of national concern. I am not going to ask that. I know what his position is. I also know what his position was with Ballantyne, which was that we should get together and deal with this thing, albeit he was sitting in the Opposition at the time.

Now, Madam Speaker, my question is whether or not he considers it fair, reasonable, and in the best interests of this country since it is a matter of such national concern, as to whether or not we all get together and decide. Madam Speaker, the Premier's advice to the Leader of the Opposition (the now-Leader of the Opposition) at the time in 2003, was that we set a committee to meet with Baroness Amos when she came. That is what we did in the Cabinet Office. We didn't see anybody coming out of there letting out any secret.

**The Speaker:** Honourable Premier.

**The Premier, Hon. Alden M. McLaughlin:** Madam Speaker, I thought I had addressed the question comprehensively. I said, *not in the first instance*. My first meeting with Her Excellency is one that she and I will have. I will then put to her the desire of all Members on the other side (I don't know about "all," certainly the Member for East End) to engage in discussion with her about the matter. Whether or not she is willing to entertain that is not something I can control. So, I am not going to try and stand here and commit Her Excellency to a particular course of action.

*[Inaudible interjection]*

**Mr. V. Arden McLean:** Madam—

**The Speaker:** Honourable Member for East End.

**Mr. V. Arden McLean:** Madam Speaker, I am not asking the Premier to "express" our desire to meet with the Governor. I am asking the Premier, as the political leader of this country, if he will "insist" that we meet with the Governor, or someone, to address this matter—all 18 Members of this honourable House.

**The Speaker:** Honourable Premier.

**The Premier, Hon. Alden M. McLaughlin:** Madam Speaker, I have answered that twice. And I cannot go further than that. I can only—

*[Inaudible interjections]*

**The Premier, Hon. Alden M. McLaughlin:** I can only speak to Her Excellency about the matter and express to her the desire—the very strong desire—of Members on the other side to meet with her regarding this matter. And I will do that. And as soon as I have something to report, I will do so.

**Hon. W. McKeeva Bush, Leader of the Opposition:** One short question, Madam Speaker.

**The Speaker:** Okay. I will allow two more.

**Hon. W. McKeeva Bush, Leader of the Opposition:** Her Excellency the Governor is not on Island. And I am wondering how long she is going to be off, when the—

*[Inaudible interjection]*

**Hon. W. McKeeva Bush, Leader of the Opposition:** She will be back within the week.

*[Inaudible interjection]*

**Hon. W. McKeeva Bush, Leader of the Opposition:** Thank you.

So we should, sometime next week, we should be hearing from the Premier as to that meeting.

Thank you.

**The Speaker:** If there are no more questions, that concludes that item on the Order Paper.

Can I just get an indication from the House if the House would wish to now commence Other Business, Private Members' Motions, or, if the lunch is here, take a luncheon break now and reconvene at 2:00 pm?

Can I get an indication?

**Hon. W. McKeeva Bush, Leader of the Opposition:**  
Madam Speaker—

**The Speaker:** Leader of the Opposition.

**Hon. W. McKeeva Bush, Leader of the Opposition:**  
The first matter is one that I have and I would appreciate taking it. I don't expect to be longer than 15 minutes in the opening.

**The Speaker:** Madam Clerk, let's move then to 6.1.

## OTHER BUSINESS

### PRIVATE MEMBERS' MOTIONS

#### PRIVATE MEMBERS' MOTION NO. 11/2014-15— EMERGENCY MORTGAGE RELIEF PROGRAMME

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

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

Madam Speaker, I beg to move Private Member's Motion No. 11/2014-2015, which read as follows:

**WHEREAS there are serious issues of hardship for families and individuals, because of the poor economy since 2007;**

**AND WHEREAS families and individuals are losing their houses due to foreclosure of their mortgages;**

**BE IT NOW THEREFORE RESOLVED that Government consider immediately setting aside enough funds to address the most needy and worst cases to be able to save those houses involved.**

**The Speaker:** The Motion has been duly moved and is open for debate . . . sorry.

The Third Elected Member for West Bay do you wish to second the Motion?

**Mr. Bernie A. Bush, Third Elected Member for West Bay:** I beg to second the Motion, Madam Speaker.

**The Speaker:** Thank you.

The Motion has been duly moved and is now open for debate.

Does the Honourable Leader of the Opposition wish to speak to this Motion?

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

Madam Speaker, before I do, I want to firstly thank the many Members of this honourable House that called, texted, prayed and visited during my wife's recent illness. The well wishes were from Members

from all areas of this Chamber, and Kerry and I are forever grateful.

Madam Speaker, it makes know, even though it does not seem so at times, there is a fraternity and we who are democrats respect that fraternity. And when the time is right, that we can put our political differences aside, and that is what makes a stable and good country. Through this medium too, Madam Speaker, craving your indulgence, I want to say thanks to all our people throughout these Islands, and particularly all the churches that were praying for Kerry. Madam Speaker, prayer works! I believe that. Prayer works.

Madam Speaker, a few days ago many people in the Cayman Islands celebrated Cayman Thanksgiving. I started the day yesterday with my usual church service at my church, and was blessed to have family in my house for dinner. The dinner and atmosphere were enhanced with my wife being there and my family and I were even more thankful, as I say, for God's grace and mercy.

This matter is an important issue. In this speech, Madam Speaker, in opening here, I deliberately do not distinguish between Caymanian and non-Caymanian mortgages, as I realise, Madam Speaker, that, Caymanians reside in homes which are also owned by non-Caymanians where there is a mortgage and we will have to find ways to help them also. Equally so, this is not to say that the purpose of the Motion is the panacea to the whole problem, the cure-all. People though are having real difficulty now, hence my plea to Government to help Caymanians regardless of where they reside.

My tenure in this honourable House, Madam Speaker, as the 14<sup>th</sup> of last month, passed a third decade. When I finish this term, I will be here for over 32 years. And throughout this period I have witnessed, and in many instances I think I have positively contributed towards a greater transformation of this country, for the better.

However, Madam Speaker, in the last 30 years, the priorities have changed. The needs of our people have evolved and the nature of our economy has grown in scope and complexity. However, one consistent challenge that has plagued successive Governments and has dampened the development of our people, and continued to persist as an unanswered challenge, is home ownership. Over the years, Madam Speaker, I think I can say I have made laudable efforts to increase housing stock and Caymanian ownership of land and of a roof over their head. My efforts have been multifaceted and include affordable housing, loan assistance programmes, stamp duty reduction for first-time homeowners, mortgage relief programmes, and some efforts under the Nation Building Programme. But, Madam Speaker, we have collectively not done enough in providing appropriate structures and incentives for more Caymanians to become owners of their homes.

Now, Madam Speaker, in drafting this, my mind went back to my very, very first motion—between 1984 and 1988. That was just a motion. And then I was elected to Cabinet, or Executive Council it was then, in 1994. And I took the issue right in hand. And don't think I didn't have the detractors within this House and outside, who said that I was trying to create a socialistic state because I was pushing for pensions and I was pushing to do away with the slave law, the Masters and Servants Law, and to get a proper labour law, and to get a solid footing on housing in this country.

No two ways about it. If you look back we have come a long way since the 1970s and the one reason why the late Jim Bodden is a National Hero today is because I keep saying he put his foot down and said, *We are going to create a middle income Cayman and we are going to see that people get scholarships and we are going to see that people get housing and that jobs are available.* And I didn't agree with a lot, but I certainly agreed with him on those issues. And that is why when I had the opportunity, I made him a National Hero.

It is not socialistic, Madam Speaker, for us to take funds to help people who are finding it so difficult that they lose their homes. Not to be a socialist or a welfare state, but certainly we have to take care of the state of our welfare. We know what happens when we don't.

Statistics compiled by the Government's Economic and Statistics Office, vetted by the Financial Secretary and published in the Government Compendium of Statistics, tells a startling tale on the state of home ownership. You don't have to go there. Those of us that travel through this country, that know our constituencies, that know the constituents, we don't have to look at any book to tell us the state of affairs. But they tell us a tale on home ownership. In our Islands individuals own a home, or own with a mortgage, or rent or live in housing without charge (that is with parents or some family). And so, Madam Speaker, in 2013 there were 23,387 homes in the Cayman Islands—4,849 with mortgages; 6,475 without mortgage; 11,090 rented; 830 live for free (as I said, with family or somebody who helps them out); and 107 do otherwise.

Madam Speaker, that translates to a home ownership rate of 48.4 per cent. Madam Speaker, that, is the aggregate of those who own with and without mortgage as a percentage of the total homes in the Cayman Islands. Casual research demonstrates, Madam Speaker, that this is the dramatically lower than comparative countries. The United States and most of the Caribbean experience home ownership of 67 per cent, as compared to our 48.4 per cent.

Madam Speaker, we are a people who have always strived to own a little piece of this rock. As a people, we measure adulthood by securing our own home. Those of us know how that feels. Those of us

who are ambitious, we know how good it felt when we could move out of Mama's house, or Papa's house, or Daddy's house and have our own. And I always believe like my Grandmother said, *Mother may have and Father may have, but blessed is the child that has his own.*

We all know how that feels. Not to say, never take away from the fact, Madam Speaker, that being able to go back to Mama's or Daddy's or Papa's or whatever, or Granny's, still not a good feeling. Always good to have someone watch over you.

These statistics, Madam Speaker, which I have quoted, vary district by district with the outer districts having greater home ownership than the others. East End has a home ownership rate of 59 per cent compared to the 48.4 per cent national average.

So, Madam Speaker, as a Government, as a Legislature, we must do all within our ambit to encourage home ownership and to provide relief for those homeowners who are struggling to retain their homes. Home ownership is good for householders because it helps them accumulate wealth. That is wealth. It is good for the economy because it encourages people to save and it is good for society because home owners invest more in their neighbourhoods, engage more in civic activities, and encourage their children to do better at school than do most renters. These are stats that we have from elsewhere.

Home ownership, in short, Madam Speaker, benefits everyone, not just the homeowner. And the more there is of it, the better. As a result of this reality, most governments create structures to encourage home ownership. In America, Ireland and Spain homeowners can deduct mortgage interest payments from their taxable income.

Madam Speaker, the main argument, though, for home ownership in the words of one gentleman, and I quote it, *It is by far the single most important way families accumulate wealth.* The main arguments for home ownership are not primarily economic, Madam Speaker, but social. Home ownership benefits society because it encourages stable, law-abiding communities. It makes people more likely in the United States, they say, to vote in local elections and join good service clubs, for instance. And it benefits future generations because it turns out that the children of homeowners do better at school and have fewer behavioural problems than many other children.

Madam Speaker, homeowners are less likely to move than renters, so areas with a lot of homeowners are more stable. These are according to the American Housing Survey [AHS]. And they say also that homeowners in the United States stay where they are for about nine years, whereas renters move every two. Although there is no empirical evidence of this nature available in these Islands, our common sense and general observation, as I said, give credence to the proposition.

Studies in many countries have found that more stable neighbourhoods are more law-abiding. The link between ownership and political participation is stronger still, Madam Speaker. Studies largely based on the United States found that in the early 1990s, 69 per cent of homeowners voted, compared with only 44 per cent of renters. Their studies also show that homeowners are more likely to support local causes, or parent/teacher associations, and more likely to go to church. Again, Madam Speaker, although these are largely United States studies, we can derive similar inference and conclusions for our Caymanian community.

Perhaps the most surprising link is between home ownership and children. One study in America found that in 2000, the mathematic scores of the children of homeowners were 9 per cent higher than those of renters. Reading levels were 7 per cent higher. In another study, homeowner's children were 25 per cent more likely to graduate from high school and more than twice as likely to go to university. Their teenage daughters were also less likely to become pregnant.

These studies are, admittedly, not conclusive. But, as I say, they have found a correlation between children's education and home owning. I want to repeat: These are studies done in the United States, but we better understand, those of us here in these Islands need to understand, just how much these Islands are influenced by what the trends are in the United States.

So, Madam Speaker, we have a fiduciary responsibility to our citizens who have found themselves in financial difficulties, either through the ever-climbing expenses, or through a loss of job, or any of the other myriad of reasons they may have found themselves behind in their mortgage payments, and face the possibility of losing their homes.

The recent report made to this honourable House by the Cayman Islands Development Bank [CIDB] on a mortgage delinquency rate of 32 per cent is very startling. Further investigation has confirmed that other commercial banks are also seeing an increase in delinquencies at a time when the global markets are experiencing a decline in delinquencies. Global market reports on mortgage delinquency show global averages of around 10 per cent as compared to the 32 per cent reported by the CIDB.

We don't know just how much the commercial banks have. I have a good understanding because, as everyone knows, I have been a realtor for the last 40 years. That's my business; so I know. I can tell you. The feeling is that it is just too much. We don't want to take listings because the truth is you can't sell them anyway, but the banks are going ahead and clamping down. So as a realtor, we find it difficult, and this is what my office is telling me.

And, Madam Speaker, the weekly court listings of families who find themselves before the courts

for proceedings at varying stages, is very troubling. Madam Speaker, the Save the Mortgage programme implemented under my administration provided relief for over 200 (I think) families who would have otherwise been put back as renters and lost their family homes. What did I do when I was confronted with it? I was not the Minister of Housing, but I was Minister of Finance and I said, *Look. See if this will work. If they owe \$9,000 on their homes, we (Government that is) provide that \$9,000 for them, and you take it back over 30, 25, or 50 years.* Meaning that on top of their mortgage, they would have that cost, but that cost would be very little, and they would save their home.

Now, I've been told before, you give people a line instead of the fish. I have been told that. I hope nobody repeats that, but it is not a case only where the line is going to be important. The line in this instance means an income to pay the mortgage, to be able to pay. Right now they need a fish. When planning one old man in West Bay, my district, Madam Speaker, trying to get a house for years and years, he finally went and started. He got to the point he could start his home and Planning went after him and said, *Uh-uh! You can't build here; you need a plan.* He said, *I need a plan? I been had a plan. I need a house.*

[Laughter]

**Hon. W. McKeever Bush, Leader of the Opposition:**

And so, Madam Speaker, the line is good. That's a job. When that happens, we will be glad. But in the meantime, you can't starve. You need the fish.

Madam Speaker, I invite the Government and I would say that any help that we as Members of this honourable House on this side can give, if they want it, I invite them to pool their intellectual resources and develop a comprehensive approach to provide relief to those homeowners that we know exist. This could be a component in an overall national housing policy that seeks to increase the overall homeownership rate.

Madam Speaker, it is my very respectful suggestion to the Government that the Mortgage Relief Programme should include negotiation on behalf of clients with banks for improved terms and conditions; personal financing consulting to clients, some of which might be done already through the [Cayman Islands] Development Bank—personal financing consulting to clients, yes, debt consolidation; financing of arrears; promoting a secondary mortgage market to encourage lower term loans and lower monthly payments; a review of the bank equity requirements for loans; and a review of laws governing foreclosure procedures to ensure adequate protections are in place for homeowners, and for the lenders as well. Madam Speaker, the welcomed recent announcement that the Government will not be seeking to close the Cayman Islands Development Bank is timely and the CIDB can, and will, and is equipped to, play a role in this process.

At the very least, Madam Speaker, I am seeking that Government set aside some funds to deal with the very worst cases, as what is in the resolved section of this Motion. And I suspect, and will be pleasantly surprised to find otherwise, but I suspect that this is the aspect that would give the Government some problems; that is, taking any money out of the surplus and putting it aside to help the worst cases. I suspect that that would be the issue that the Government would not want to do. But I am saying, Madam Speaker, that that is what ought to happen because you cannot say to the child, *I am going to starve you for a week. I am going to feed you once a week because I want to pay more down on the mortgage.* Uh-uh! That can't happen. That does not make good sense. You cannot say to your child, *You can't go to university because I want to pay down more on the mortgage.* No! You must be creative. You must find the wherewithal to address the issue. So, that is what the Motion seeks at the very least.

Madam Speaker, our country and our people would be eternally grateful if we put political differences aside and do the right thing for our people by providing some sort of mortgage bailout for the worst case now. No Christmas message! No message of thanksgiving would be more welcomed by our Caymanian families than knowing that early in the New Year, our Government will be rescuing their homes.

I don't expect, Madam Speaker, and reiterate, that Government can deal with every single case. I don't expect that this Motion is any cure-all to the problem. No! I have been there! I have sat where the Premier sits and I have sat in the other benches as well. I do know what it means when you are facing various issues. But when we have money, I did not allow the United Kingdom to tell me no. They told me so, but I didn't listen to them. No! *You must cut back on your old people benefits because that is what we are going to do in the United Kingdom.* I said, *No, I am not doing that! You have got to cut back on your scholarships.* [I said,] *No, I am not doing that either.* [They said,] *Well, those are the areas we want you to cut back on.* [I said,] *No! Understand what I am saying. No, I am not doing that because in the United Kingdom there is a whole lot of difference between you and me. You in the Commons will vote one bloc and say you are not doing this. But at the same time you are sending a whole heap of money to the councils and the councils have money and ways and means to raising their funds, and they take care of their people at their level.*

Here, only one Legislature. No councils to work with that could raise money do any such thing. So, when it came to that, no, I didn't agree. And you would know, Madam Speaker, and others would know, that we didn't agree. We said no! The seamen, and the veterans, and the elderly, and the handicapped people, the only thing they get for their contribution to this country is what they get from Govern-

ment—\$550.00 or \$650.00, whatever it is—so I am not cutting back on it. It is no wonder they came after me. But we didn't!

And I said, *You know what? At the end of the day for a time we will have to raise some funds.* And so the fees were raised in the financial sector. And it ended up the year with \$70 million or so, and laws in place to get more, so we are in a better position. I say that we should utilise some of it, for our people.

I will borrow a line from a close colleague who said to me when I first floated the "Save the Mortgage" campaign a few years ago. *"We should not be afraid when our people are behind in their mortgages. At least they are still in their homes and have somewhere to go. Be afraid when they have lost their homes and have nowhere to go as that is when they will be in the streets."*

Madam Speaker, every Member of this honourable House is charged with ensuring the well-being and welfare of all Caymanians and those who live and move and have their being legally in this country. Whether it is providing assistance to the elderly and the needy, or ensuring that our children are educated and there is a clean environment for them to learn, eat, and play, the bottom line is that we must take care of our people. We can't have them living on the streets. We need to ensure that they have a place to live and raise their children and participate in this Caymanian dream, if that is what it is. It is most heartrending for me, and I can't just understand the great United States, that has people living in cardboard under the highways and all about, yet go and spend \$300 million on an election campaign! And they are going to tell me about having a heart and they are going to tell me about being a Democrat. I am a good Democrat. I am sensible Nationalist.

[Inaudible interjection]

**Hon. W. McKeever Bush, Leader of the Opposition:** Yes, even more.

We can't reside there, my dear friends. Those of you across the aisle, I don't know what you said. Maybe you saw my notes. I hope you did.

[Inaudible interjection]

**Hon. W. McKeever Bush, Leader of the Opposition:** Huh?

[Inaudible interjection]

**Hon. W. McKeever Bush, Leader of the Opposition:** By the time I finish, you will be good and hungry.

Madam Speaker, I am reminded by my friend from East End that it is time for me to pull to a close, and I was just there.

Madam Speaker—

**Mr. V. Arden McLean:** Friend?

**Hon. W. McKeeva Bush, Leader of the Opposition:** Yes. You're not a friend? I hope you are.

[Laughter]

**Hon. W. McKeeva Bush, Leader of the Opposition:** Madam Speaker, I hope that every single Member of this honourable House would support this Motion and give the Caymanian people joy, real joy, this Christmas season and a renewed sense of hope in the New Year. For the New Year, I love that Christmas carol, *The thrill of hope, the weary world rejoices. And yonder comes a new and glorious morn.*

Madam Speaker, I hope, I hope—

**The Speaker:** I was anticipating you were going to sing it, honourable Leader.

[Laughter]

**Hon. W. McKeeva Bush, Leader of the Opposition:** Madam Speaker, I hope that the Government will hear the plea and will support this call.

And I thank you for your indulgence, and Members, Madam Speaker.

**The Speaker:** We will now take the luncheon break and reconvene at quarter to three.

**Proceedings suspended at 1:20 pm**

**Proceedings resumed at 2:55 pm**

**The Speaker:** Please be seated.

Before the luncheon break we were dealing with Private Member's Motion 11/2014-15. Does any other Member wish to speak?

I recognise the Honourable Minister responsible for Finance.

## **PRIVATE MEMBERS' MOTIONS**

### **PRIVATE MEMBER'S MOTION NO. 11/2014-2015 EMERGENCY MORTGAGE RELIEF PROGRAMME**

[Continuation of debate thereon]

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

I rise to reply to the Motion on behalf of the Government, as the Minister with responsibility for Finance.

Madam Speaker, the Government acknowledges that there are Caymanian families who are facing financial hardships since the downturn of the

economy in 2007. Businesses have closed. Banks and trust companies have downsized, and Caymanians and other residents alike have lost their jobs. Over the past seven years unemployment has risen to as high as 6.3 per cent and inflation has increased by as much as 4.1 per cent. However, it is forecast that the unemployment rate will decline to 5.7 per cent over the next two years.

Madam Speaker, we acknowledge that some Caymanians are still finding it difficult to meet their routine household expenses. And as a result, some have defaulted on their home mortgages. At this time I will give the history behind the Save the Mortgage Programme which was designed to do just as the Leader of the Opposition has proposed in this current Motion.

On 13 December 2011, the United Democratic Party Government established the Save the Mortgage Programme which was intended to assist Caymanians who were facing financial difficulties and who had become delinquent on their home mortgages. The majority of the funds for the Save the Mortgage Programme came from Dart Realty (Cayman) Ltd., as part of the National Roads Authority [NRA] agreement with the Cayman Islands Government. This agreement is commonly known as the ForCayman Investment Alliance.

Under the NRA a total amount of US\$5 million was advanced to the Government with US\$2.5 million (the CI equivalent of \$2.05 million) going towards the Save the Mortgage Programme. The Government subsequently approved a further CI\$200,000 for the programme during the 2012-13 fiscal year. Therefore, the total amount of funds available to the Save the Mortgage Programme was CI\$2.25 million.

Madam Speaker, at this time I will pause to reflect on a parliamentary question which I had not appreciated until the question was asked a few weeks ago. It was at that time when I realised that with respect to various fee waivers and other things under the NRA agreement, that that amounted to approximately \$11.9 million. The amount of money that was waived in that agreement with respect to affordable housing fees, equated to CI\$2.71 million. Madam Speaker, we received CI\$2.25 million for Save the Mortgage Programme and we gave up CI\$2.71 million in affordable housing fees.

Madam Speaker, the programme was designed for applicants to receive a maximum loan of up to CI\$20,000 from the government. The loan proceeds were to be paid directly to the bank in order to cover the applicant's delinquent mortgage payments. It was intended that applicants would continue to pay their mortgage at their bank and would also make monthly payments to government on the Save the Mortgage Loan Programme.

Madam Speaker, to be eligible for a loan under the Save the Mortgage Programme the following criteria had to be met:

- applicants had to be Caymanian;
- applicants had to have received a demand letter, foreclosure order and a default judgment from their bank;
- applicants had to be delinquent on their mortgage payments for at least three months;
- applicants and banks had to agree with the government taking an additional charge on the mortgaged property in the amount of the Save the Mortgage loan; and
- banks had to agree to restructure the applicant's loans so that monthly mortgage payments were more manageable for applicants.

The loans under the Save the Mortgage Programme were interest free with repayment periods of up to 50 years. Therefore, Madam Speaker, if an applicant received the maximum loan amount allowed under the programme of CI\$20,000, the applicant could opt (they had the choice) to repay the loan over 50 years which equated to a manageable monthly payment of CI\$33.30 per month. Madam Speaker, CI\$20,000 in loan, interest free, over 50 years to repay, and CI\$33.30 monthly payments.

Madam Speaker, the Government also gave applicants a six month grace period before the commencement of monthly loan payments to the government. Under the programme there were 143 applicants who were approved. The total amount of funds disbursed to banks under the programme was CI\$2,204,626.

Madam Speaker, looking now to the effectiveness of the Save the Mortgage Programme: The Ministry of Finance has been monitoring the effectiveness of the programme since its inception. Under the programme banks are required to inform the Government on a regular basis as to whether or not applicants have defaulted on their mortgages since receiving the loan under the programme. In addition, the Treasury Department tracks those applicants who have defaulted on monthly loan payments of \$33.00 to the government. Based on the information received from the banks as recently as October/November this year, 82 per cent of the applicants have again defaulted on their bank mortgages since receiving loans under the Save the Mortgage Programme.

The Treasury Department confirms that 62 per cent of the applicants have defaulted on their payment to the government on the Save the Mortgage Programme. Madam Speaker, that payment being \$33.00 per month over 50 years.

So those percentages are 82 per cent of the applicants have again defaulted on their bank mortgages and 62 per cent of the applicants have defaulted on their \$33.00 per month to the government.

Madam Speaker, the delinquency rates clearly indicate that the Save the Mortgage Programme was not effective, or did not have the effect that it intended. The majority of applicants have once again

defaulted on their bank mortgages despite receiving financial assistance from the Government. I will go on record today, tomorrow and always and say that this country has to be very careful as to the revenue that we collect and what we choose not to collect. Because when you have sufficient reserves, you are much better able to react to the needs of your people. So, when hasty decisions are made, we sometimes find ourselves looking back and wishing that perhaps we had not taken that path.

Madam Speaker, I am looking back and also thinking that we also removed a similar revenue measure, a tax or a fee, or whatever you want to call it; that used to be levied on the condo developments along the Seven Mile Beach. Had our Government been more prudent in collecting the revenue and putting it aside in reserves, it would have enabled us to be more flexible as to what we can do for the people. So I will stand here today and I will stand here tomorrow and I will stand publicly any day and say to the people of the Cayman Islands, be careful what you give up in revenue. You never know how you will need it in years to come.

Madam Speaker, the Government recognised the financial hardships being faced by people in this country. And it is for that reason that in the 2014/15 Budget we included several economic measures to stimulate the economy. I will go through those again because I know you sometimes have to repeat something before people remember that you have done it and what you are trying to achieve by doing so.

In the 2014/15 Budget Address, I announced four economic measures which the Government is implementing and has implemented and will be implementing to assist with lowering the cost of living and doing business in the Cayman Islands. Number 1 was to reduce import duty on diesel fuel used by CUC to generate electricity. Number 2 was to reduce import duty for licensed traders; and number 3 was to reduce trade and business license fees for small business licensees. Number 4 was continuation of current incentives for the Sister Islands.

Madam Speaker, with respect to the reduction of import duty on diesel, effective 1 January 2015, the Government will reduce the import duty charged on diesel imported by Caribbean Utilities Company (CUC) for the generation of electricity from .75 per imperial gallon to .50 per imperial gallon. With this measure the Government is projecting that the average customer, both residential and commercial, will see their bill reduced by approximately 4.3 per cent. This reduction assumes that the price of fuel and CUC's fuel consumption and efficiency will be similar to current levels.

Currently, the import duty on fuel accounts for approximately 13 per cent of the average customer's electricity bill. This measure reduces that proportion down to approximately 8.3 per cent. This measure provides essential financial relief to all consumers of

electricity, both residential and commercial. As part of this measure, the Government will be foregoing approximately CI\$8.4 million annually in reduced revenue. We believe that the benefit to the economy and consumers far outweighs the financial loss to the Cayman Islands Government.

With respect to reduced import duty rates on merchandise, as of 1 July 2014, for licensed traders only, the Government reduced import duty rates on items currently charged at 22 per cent down to the rate of 20 per cent. The items falling into this category include most items offered for retail sale and will result in Government collecting at least CI\$4 million less in revenues from import duty. However, we expect that the impact of this measure will outweigh the financial loss by the Government.

Effective 1 September 2014, the Government also further removed duties on the ingredients used by local bakeries. We received representation from those bakeries that removing the duty on some of these items would further assist them in remaining competitive with the imported bread. We have continued to offer the concession on building materials at the rate of 15 per cent. And this is in comparison to the normal rate of 17 per cent to 22 per cent on building materials. We hope this will continue to benefit the construction industry to help people build their homes and their commercial establishments at a cheaper rate.

There is also a reduction in the trade and business licence fees. As of 31 August, Government implemented a series of changes to the trade and business licence fees. In order to support existing small and micro-businesses, and as an incentive for the creation and development of new businesses, Government offers discounts presently limited to the year ending 30 June 2015 on licence fees.

Micro-businesses (for the sake of clarity) are those that, among other conditions, employ up to four employees, excluding the owner, and have an annual gross revenue not exceeding CI\$250,000. Micro-businesses across the three Islands may apply for a 100 per cent reduction in the licence fee.

Also benefitting from this are small businesses. Among other conditions, to qualify as a small business they must employ no more than 12 employees (again, excluding the owner) and have an annual gross revenue not exceeding CI\$750,000. With respect to their licence fees, the Government will offer the following discounts to small businesses: in George Town and West Bay, there is a 50 per cent discount; in Bodden Town, North Side, East End, Cayman Brac and Little Cayman, there is a 75 per cent discount on licence fees.

Madam Speaker, looking at the Sister Islands, the Government will continue the following economic incentives: 100 per cent import duty waiver on building materials imported to Cayman Brac and Little Cayman; 100 per cent import duty waiver on diesel for

Cayman Brac Power and Light; 12.5 cents per gallon import duty on the importation of motor gasoline to Cayman Brac; and 100 per cent stamp duty for the purchase of land in Cayman Brac, providing it is developed within two years.

Further, Madam Speaker, the Ministry of Finance and Economic Development process waivers of stamp duty for the first time Caymanian property ownership concession. This concession has been well utilised by the public over many years. During the financial year just ended 30 June 2014, approximately 216 applications were approved under this concession for the amount of CI\$2.63 million in stamp duty waivers.

*[Inaudible interjection]*

**Hon. Marco S. Archer:** Over the fiscal year 2013/14, the fiscal year just ended 30 June 2014.

Madam Speaker, as I said earlier, in a parliamentary question that was answered recently, the Legislative Assembly was informed that approximately CI\$2.71 million of affordable housing fees were waived under the National Roads Authority agreement with Dart Cayman Realty. Contrary to popular belief, if you continue to read some of the things that you see in the press, the Cayman Islands Government is not just raking in all this revenue and not giving the country any break. And I should say, Madam Speaker, that because of the position we are in, we need to be extremely careful while we dance to every fiddle that is played. But contrary to popular belief, we are not just raking in every dollar and leaving the people to suffer. I have outlined various ways in which we have tried to relieve the pressures of the people, but also recognising the opportunities that we have lost to collect the revenue that was rightfully owed to the country.

So, Madam Speaker, in closing, I will say that the Government will consider the Motion, but we are cognisant of the issues as I addressed earlier. The delinquency rates provided by the banks and the Treasury Department indicate that the Save the Mortgage Programme was not effective and the Government has concluded that it does not make financial or economic sense to establish a programme which is similar to those in the past. Furthermore, the funds for the Save the Mortgage Programme were received from the Dart Cayman Realty Ltd., under the NRA agreement. As a result, the Government did not have to use its cash reserves for the loan disbursements under that programme.

However, funds to establish the proposed emergency mortgage relief programme will have to be taken from existing cash reserves which may prolong and make it more difficult for the Government to meet its legally mandated cash day reserves; that being 90 days of cash reserves, by the 30 June 2016. Madam Speaker, it is well known to the country that this is required by the United Kingdom Government. Failure

to achieve this target will mean that the United Kingdom Government will then continue to dictate to the country the content of our budgets and the times in which we can bring them, which means that it will be that much longer before we will have the flexibility to do things that will benefit our citizens and residents alike.

Madam Speaker, this is a situation we inherited. I do not think any Government would have wanted to have inherited such a stringent set of requirements. Nevertheless, I believe you play the hand you are dealt and make the best of it.

One of the things we have weighing over our head is the legal requirement to comply with the Public Management and Finance Law as amended, which incorporated the Framework for Fiscal Responsibility, which requires that by 31 December 2015, we must have the equivalent in reserves of 90 days expenditure for the Cayman Islands Government.

So, Madam Speaker, for the sake of clarity, the Government will consider the Motion, but we have concluded that it does not make sense to establish a programme which is similar to what was previously implemented in 2011.

Thank you, Madam Speaker.

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

If not, I call on the Leader of the Opposition to exercise his right of reply if he so wishes.

**Hon. W. McKeeva Bush, Leader of the Opposition:** Well, Madam Speaker, one thing about it, I am not ever surprised when I ask this Government to do something, because for one thing they are going to get up to say this is what you did, and this is how bad it was. Never how much it helped; but how bad it was.

I have listened to the excuses. No matter whether they send Brother Marco or not, I can say in here somewhere it is the voice of Jacob, but it is the hand of Esau. So, Brother Marco—

**An Hon. Member:** He's a good brother?

**Hon. W. McKeeva Bush, Leader of the Opposition:** Well, you wouldn't know one sometimes. You were mouthing off; you should sit down and listen now.

The majority of the funds, they claim, let me first address this matter with Dart, because it seems like everything that we tried to do with Dart was a bad thing. And if it weren't that Dart was in operation today, 25 per cent added to our GDP would be gone. There would be nothing going on here because for 18 months we have languished in this Legislative Assembly in this country with the same attitude we just heard. We are nice boys so we are trying to do this to

help Cayman. Help Caymanians? No boy. Not what you are doing. And I will explain some of it.

Madam Speaker, in no way did I say in this Motion that the Government should do is what we did with Save the Mortgage Programme.

**BE IT NOW THEREFORE RESOLVED that Government consider immediately setting aside enough funds to address the most needy and worst cases to be able to save those houses involved.**

I left this wide open for the Government to do whatever they could, to use their use their intellect, all of the lawyers they have over there, and all of the accountants they have over there and all the masters of everything that they have over there, to be able to come up with a programme that would address the worst case scenarios.

Madam Speaker, what did I say that I think they could do? They could offer negotiations on behalf of clearance with banks for improved terms and conditions, they could look at personal finance consulting to clients, debt consolidation, financing of arrears, promoting a secondary mortgage market to encourage longer term loans and lower monthly payments, review the bank equity requirements for loans, a review of laws governing foreclosure procedure to ensure adequate protections are in place for homeowners, and all they could come with, because they perched on this Save the Mortgage since, as they say, there are some people who defaulted. So—boy, that's a good thing to get up and *let's paint a picture of that and say this is why we can't do anything*. That is what I asked them to do! I didn't ask them to do any Save the Mortgage. But, I will come to that, Madam Speaker.

When that question which the Minister referred to was asked, I asked him—did you go and check to see what the value was that this \$11 million was supposedly received in concessions? How much value then? Was it \$100 million that they put in, or what? Did he do that? No! Because it would have shown the opposite. It would have.

Dart has never had any affordable housing programme. We got \$5 million to try to do Save the Mortgage, the worst case scenarios. The concessions have to be taken in total. And that is not done yet. And he comes here painting the worst picture in the world that we have done wrong. You are not going to do that, you say. When you read the requirements, what does that tell you? It tells you that it was meant to deal with the worst case scenarios to try to save those people. He pointed out that there are some 143 applicants. I don't know the full [number] because I was not on the committee. We set up a committee that would run through the Ministry of Finance and the Department of Finance, in particular. He says there was \$2.2 [million] paid to banks.

Now he said that 82 per cent defaulted and 62 on their payment to government. So they said the

Save the Mortgage was ineffective. I don't know who defaulted. I have not seen that. What was evident was that we found a problem where Caymanians and more and more Caymanians were losing their mortgage and we had nowhere to get money and we said to Dart, *You go and you want to build this and you want to build that? Well you put this up front. You show us that you mean what you say. Put your money where your mouth is! And give us some to do housing to save mortgages.*

Now, what was evident, there was a need. And we helped them. Now we can't go and carry people to work, we can't force people to pay. That's not our job as Government. We did through the bank, CIBD, and some of them defaulted there. What else can you do, but to help them! And they did address the need at the time. The question that the Minister of Finance and the Minister of Labour and the Premier and the Deputy Premier and the Minister of Housing and everyone in the Government front bench needs to ask themselves, *Did those people have a job? Do they have a job today?* That's the question! Did they have a job? Did they lose their job and, therefore, default again? And since then did the Government find out if they still have a job, because that is the problem—unemployment in this country! That is the problem! That is the huge reason people are defaulting on their mortgage. No work!

What I did tell the Finance Department was, *Look. Make it as simple as possible so those people do not have a pile of red tape to go through.* That's what I wanted to see. And I think that's what they did. There are still a lot of requirements, but the red tape was cut. So you come here chastising me, because that's what you all were doing, for putting in a programme that helped people, whether it was 143 or 200, I don't know, I heard it was 200, and you come to chastise me and say because we have them now and some of them have defaulted and you don't want to do the same thing. Well, we could say that about anything. *I don't want to do this; I don't want to do that, because something bad might happen.* But do you sit down and do nothing?

No! You do not.

Next, Madam Speaker, I want to say to the Minister that he is young in this, you know. Stop listening to people who just call you up and tell you things because it is not always the facts. The condo tax was put on by Jim Bodden in the years between 1980 and 1984. In the 1984 election, the late Captain Charles [Kirkconnell], the late [Sir] Vassel [Johnson], Benson Ebanks and Norman Bodden were ministers back then. Ezzard Miller and the rest of us were backbenchers. That was when that tax, or that fee, was removed. We had our concerns, but they claimed they showed you that this could be done better. One thing was for certain, the condo market had fallen flat. Those people who promoted pulling off that fee at that

time could show you were the condo industry, the building, had gone flat.

So, I know that group of people. I know one or two of them that were always hollering whenever we talked about housing, *Oh, if you had that.* Well, we've come a long way since then. We have come a long way and other fees have paid in prominence in its stead. As I said, that was done, knocked out of the door from 1985, 1986, thereabout. That is not coming today that UDP did.

*[Inaudible interjection]*

**Hon. W. McKeever Bush, Leader of the Opposition:** But the way it was said, Madam Speaker, leaving it in the air would have looked like, *That's what McKeever and them done, you know.*

Their biggest cry, Madam Speaker, is that funds will have to be taken from surplus. So be it. Where else are you going to take it from, if you have money saved?

Now, pointed to what the UK requires . . . and then have the audacity to try and blame me for it! Point to your Premier who left us with \$69 million, \$70 million or \$80 million in surplus! And mind you, let me tell you, Mr. Minister of Finance, you said \$69 million this morning, but when I took over, the same people, the same Financial Secretary said it was \$70 million or \$79 million, or \$80 million. It's the same people. So whose figures do what? Figures do what?

As long as you can come and point to the last Government, you want to make the people believe that everything done under the last Government was badly done. But if it weren't for what we had done you all would have nothing in hand today—nothing!—because you have done nothing to get anything, except to talk, fix around figures, and we know what figures do! We do know what figures do. Liar's figure and figures lie. So, we can't now let the FCO, because of what they require, we have to go by them. We can't say, no.

Do what I did. I stood up to them and said, *Look.* When they told me that I couldn't bring the budget down, I said, *Listen, I've given you enough.* The very last budget in August put off about six weeks, wrangling with them because they wanted us to cut scholarships and they wanted us to cut the old people's benefits. Don't say it's not true. The Speaker is here today and she knows it is a fact. And I said, *No! I've given enough, I've done enough, the budget is going forward now. You do your best.*

Oh, they did their best with the help of others, of course. They arrested me—that was their best—to get me out of the way. That was their best. But when we find a need for our people we must address that need; us, in this Chamber—us, not them. Find other ways and means.

So you point to what the UK requires? Blame! Don't point your finger at the UDP. I found it. You,

Minister of Finance, said that you found this. Well, you are a part of the PPM. You all left it—all of you that concocted with them and worked with them, left the best for us to deal with. So don't come now crying the crocodile tears and blaming McKeeva for that. If it were not for us, you would not have had the \$70 million in surplus come last year and you would not have had that law that brought the rest of it either, because at that time the Premier and his cohorts were saying this was bad for the country, you mustn't do this. Well, if we hadn't done it, you would not have the money today.

So, Madam Speaker, despite my tone of civility that I began with this morning in trying to encourage this honourable House, especially the Government side, to accept this, I figured because being there are so many people affected, they were not going to knock it down, they were going to find a way to say we support this. Let's see how much they are going to do, though. That's the thing. Let's see how much they are going to do.

What they are saying is, *Oh we will say that and then we are going to beat the Save the Mortgage and show how bad that was, what a bad decision that was.* Yes? And people still saved their houses and if they are in default now Government shouldn't press them for \$33 per month. That's what I know about. And how much you are going to be able to do it.

Look, Madam Speaker, I battled with this thing for housing for too long. I know, from the very first day in 1994 that I came here with a motion, there were those who painted it as black as possible trying to make people believe that because I was a realtor I was doing something for myself. It's in the Hansard. *Oh, we heard some company down on Seven Mile Beach is going to be doing it, you know.* Oh yeah? Well, people got houses, though. And no company down on Seven Mile Beach did it. From then they moved motions against it. And every time you tried to get real help where Government can help, there is somebody who comes up and gives this cock and bull story, cockamamie story, making people believe that somebody is doing the wrong thing and you are not going to get anywhere. And what happens for the politics of it? Our people suffer. Our people suffer because McKeeva mustn't do it, we must do it!

Once again, Madam Speaker, the Government has failed the Caymanian people. And while they refer to themselves as the "progressives" it is clear that it is same old party, poor people mistakes. Well, once again the people have to wait another term to move them.

I brought this Motion to the House with the hopes that there would have been some consensus in the Chamber to do right by the people.

*[Inaudible interjection]*

**Hon. W. McKeeva Bush, Leader of the Opposition:** Yeah, what kind of support. I know the kind of support.

But as usual, because it is not them, Madam Speaker, that brought the Motion, so it cannot be any good. We will do enough to make people believe that we are doing something. Clearly, they are only motivated by what they can twist to take credit for, while the credit of many Caymanians is suffering to the point where they are losing their homes.

Madam Speaker, it is easy, very easy for many people in this House and elsewhere, because I see it. I see it in the stories. I hear it on the radio. I hear it on the television. It is easy to believe that the extraordinary hardship faced by ordinary Caymanians is their fault. And I am not going to say who has fault and who does not. But it is the fault of this Government that bankrupted the Government between 2005 and 2009 and now in trying to correct that mistake they are here to do nothing because they have to correct that mistake.

Clearly, Madam Speaker, they are not moving in the right direction. Clearly! And if it was not for what we left, they would not have anything much. People are not at fault entirely for their hardship. It is not them why they do not have work. We know the many reasons, but some of it is born right here, conceived right here and born right here. The people are not at fault. They are not, Madam Speaker. They have a system designed to take every hard earned cent out of their pockets and all they are doing is working to make many of the huge corporate entities rich while they fight to keep their families out of the poor house. That is what is happening in this country.

Madam Speaker, I am not surprised that the Government has taken this approach because on the one hand they say they cannot do this, and they are going to do something and you have to watch what you do with what you have—yet, the economy is so rosy. The few things they have done will not make a dent in the plight of the poor people of this country. Madam Speaker, a rosy economy? Sweet economy or a sweet pot? Sweet pot or spot, whatever it was, I know one thing: It's not sweet!

*[Laughter]*

**Hon. W. McKeeva Bush, Leader of the Opposition:** Whatever it was, Madam Speaker, it is not sweet. It is a very bitter pill, indeed.

So what, Madam Speaker? For four years we took duty off of building materials for homes. We took duty, 10 per cent, off. I think it brought it down to 10, or we took off 10 per cent off, I cannot remember which. We took 10 per cent off, I believe it was, and brought it down to 15 or something like this. Whatever it was, I know we brought it down by 10 per cent. And they get up here, and if you listen to them, Government was only born yesterday, no other Government ever existed, the only one that existed wasn't them

that did anything bad, and their Government was the only one that ever tried to do anything good.

Questions we need to ask are addressed in the outline I gave. Are we doing the things? We see where over and over we read where institutions have settled with this government body or that government body in the United States and the United Kingdom for selling products to customers that they know should not have been sold. Do we have products that meet the current environment in this country? That is what I am talking about. Yes, there is a short-term need, but there is a longer-term need to address. I know the Government cannot meet immediately. But do not come here and tell me that you cannot do what we did with Save the Mortgage. You save some mortgages first and see if you are going to do any better! That's what you do. Then you have a right. Not now.

*[Inaudible interjection]*

**Hon. W. McKeeva Bush, Leader of the Opposition:** Well, find it! That is what I am saying. Yes, I know you are going to continue to move heaven and earth. Although you will sink heaven and sink earth, you are still going to say you saved it.

*[Inaudible interjection]*

**Hon. W. McKeeva Bush, Leader of the Opposition:** Thank God. I hear you all saying you are not selling CIDB. That is the only thing we have that we can make something with. Thank God.

Listen, Madam Speaker, the things that he sits and grumbles about, he never has the guts to stand up, because he knows that he could be challenged. Because if you want to know where it is, go back from 2005 to 2009! That is where it resides, Mr. Premier, not from 2009. Yes, maybe some people, I do not know who, maybe some would have gotten done then, but go find where the majority started, where it was. It was in the years when you all were in Government! And maybe you were in charge of it. I don't know. That is when the rot really started over there. Go and check it. You are going to make a statement on everything. You always do that. You cannot come and debate like this; you want to make a statement because you have the majority. I am saying you know. The Premier knows, Madam Speaker, that he cannot debate on an even level. So if he does not have the last say he is not getting up; only when he has the last say. Poor old Marco.

*[Laughter]*

**Hon. W. McKeeva Bush, Leader of the Opposition:** I know, same thing.

*[Inaudible interjections]*

**Hon. W. McKeeva Bush, Leader of the Opposition:** Madam Speaker, I hear them with listing out things they have done. As I said, there were a lot of things. We did mostly the same things. We could not tax and tax and tax, so we had to put it on fuel. If we asked them to take it off, no, they were not taking that off either. That is what they said they would do.

Government campaigned on creating jobs and opportunities for Caymanians. They campaigned on reducing the cost of living for Caymanians. They campaigned on minimum wage. They even campaigned on one man, one vote. I hope they throw that one out!

They have not created jobs, and those who had jobs when they were elected are now losing those jobs. So they come here to paint the worst figures they can find. And what I do know is that they leave important data which would show the situation differently. It's a fact. Do you think I do not know how they operate? I know how they operate. Instead, what have they done? Use their political capital to pass an Immigration Law that benefits some people at the expense of Caymanians. Many people know what I am saying is true. They never campaigned on that or said it was a priority, but as soon as they got in we saw where their priorities were.

Despite the price of oil falling by 35 per cent over the last six months from \$100 a barrel, where are they with it now? Where? Where? It is down \$65 a barrel. We are getting up here thumping our chests. All the Caymanian people have to show for that is a .20 cent reduction. Twenty cents!

*[Inaudible interjection]*

**Hon. W. McKeeva Bush, Leader of the Opposition:** How much? Well .25 cents, it must be US.

*[Laughter]*

**Hon. W. McKeeva Bush, Leader of the Opposition:** You never mind that. If I had been there it would have been gone, because I promised it and I brought a motion to get it done, and you said no!

I brought . . . I had to add it or the country would have gone belly up. Look at what you did. You gave Tom Jones \$12 million to do what? And who had to pay for it? Don't come talking about putting duty on fuel! Don't talk about it!

You have no moral ground on that issue. You left the country in the mess it is in today!

*[Inaudible interjection]*

**Hon. W. McKeeva Bush, Leader of the Opposition:** My story; that's the facts! Ask the Financial Secretary, the facts are all there.

*[Inaudible interjection]*

**Hon. W. McKeeva Bush, Leader of the Opposition:**

Yes, there may have to be some things that have to be cleared up, because mistakes are made and mis-steps are made. But what I had to do was based mostly on what was left there because of the things the PPM did, and what you did? Thirteen million dollars came off from the people of this country to pay CUC! We paid that. We, the Caymanian people, on our electrical bill. So you have the audacity to sit there and talk about fuel? You? You have no moral high ground on this issue!

*[Inaudible interjection]*

**Hon. W. McKeeva Bush, Leader of the Opposition:**

That's the way it is. The man on the street knows it because he feels it. All of us feel it in our light bill.

*[Inaudible interjection]*

**Hon. W. McKeeva Bush, Leader of the Opposition:**

You know what you do? You make the people believe that today if you think today is in June or May 2013. It is a horse of a different colour today! But I know one thing about you politically. You know and that is why you are ducking and weaving the way you are doing.

So, how effective is this break that they claim they are giving? How effective is .20 or .25 cents going to be? How effective?

*[Inaudible interjection]*

**Hon. W. McKeeva Bush, Leader of the Opposition:**

Yes. If I had not, you might not have gotten paid. The country was such in a bad mess. But you forget.

Piles of marl all over the place! Money spent. That's why we had to do those things. Buildings started, that's why; knocking down the cliff from 15 feet high to the ground, to zero level. That's why we had to pay those things over and over. Don't talk about the roads. I guess I am still paying for them, and you row because we got something going with Dart to get an avenue out of West Bay? I would do so a thousand times, instead of paying \$10 million every time the hurricane comes to fix that little stretch of road. Good thing unna got that. And you all know it too. Every one of you knows it! That's why you are sho-shooing down there making people believe that you are not down there, but you are. You should be too!

I can sum up, Madam Speaker, to say

*[Inaudible interjection]*

**Hon. W. McKeeva Bush, Leader of the Opposition:**

Yeah, you don't want to hear it, eh?

Madam Speaker, I have told them enough. The people know. The people are feeling it. The man on the street knows. Everyone knows. They are spinning their wheels and going nowhere fast. For every

step forward we took, you can talk what you like about it. They want to talk about my record? Just let me address it for one minute, Madam Speaker, since I'm provoked to talk about it.

*[Inaudible interjection]*

**Hon. W. McKeeva Bush, Leader of the Opposition:**

In 2003, 2005, in the worst situation this country could find itself. We still had over \$106 million in the banking accounts in this country. The PPM came along and what happened? Eighty-nine million dollars, \$80 million, or whatever it was . . . ask the Financial Secretary, he said it here in the House back then. Ask! And they want to think that they can just do it today and then clear that up. So, you are going to blame me for that? No! I make the money. Leave it there. You take the money and what do you do with it? Buy marl.

For every step we took forward, the PPM Government came behind us twice and took us three steps backwards. So, Mr. Minister of Finance, keep trying to clear it up. But don't starve our people to do so!

People are hurting. Caymanians need opportunities that they are not getting. There are far too many. Unemployment was 6 per cent in 2013, then it has to be 12 per cent to 15 per cent today and more and more and more it is going under. You don't see, the banks are telling us what is happening here fast, fast. A hundred and twenty one people going. You don't see that?

Oh, we needed an oil refinery or something else. And those who want to lie down in front of the bulldozer, let them lie down! Go build it. Get it done. Offer something else for people to have if those industries pull out. That is what needs to be done. Don't kill McKeeva because I said so. Obviously, some of you all out there understand now that I was speaking the right language. You might not have liked how I talk, but it was the right language, the right things to be said.

Think about it, Madam Speaker. Every year we gave work to hundreds of Caymanians, probably between 600 and 800 Caymanians. We tried to do so by the end of November through December, three weeks in December, and one or two weeks in January, to help people. I brought a motion here asking them to do something because you see the crime in this country, bringing a motion now to say if you go down . . . if it happens somewhere down about it is a bad thing, but come in your yard is the right thing. Well, however you want to treat that whole crime thing, try to do something about it.

But what is causing it? Back then the unemployment fell. The crime level, burglary level, fell. It fell; so said the Commissioner of Police. I asked them to do something to help us now. No. The same tune I guess—*Can't take government money and do it that*

way. I heard that tune played before. I didn't dance to it, though.

Watch—you are not going to be able to move out of your house for Christmas. Hear what I tell you? Mark what I say. Every day more and more, the casual labour sector in this country is hurting! They are the man on the street. He can't pay his light bill, he can't pay his shop bill, can't pay his mortgage. What is he going to do? I pray, Madam Speaker, something will bring about a change so that our people can get some help.

All I ask is that we pool our collective intellect in finding solutions to keep Caymanians in their homes and give them some hope that 2015 will be better. Madam Speaker, they don't have to involve me. They don't. I get an invitation when they are making some grand speech somewhere about taking pictures. But that's all. I don't care. Go do it, though. Get it done to help our people, whether you want to call it Save the Mortgage, or Save the Home, or find some other words . . . when they came in the last time they took the guaranteed savings mortgage and what did they do with it? They put something else, one word; best thing in the world, although they cussed it blind when I had it. One word they changed, not much different. In fact, many people didn't get as many homes.

Madam Speaker, I am not going to expect that they are going to do anything much. I am not going to expect anything much from these people. But they are not doing it for me. They are not. It is for the people of this country. And whether they call it Save the Mortgage, whatever they call it, two things we need to do. We need to get people working. That is the key! And if people are working, then, people have money to pay however we help them.

I am going to say this, Madam Speaker, about housing. There are going to be people in this country as long as we are here on this earth, that will not be able to deal with it, but will need housing, and Government is going to have to put their best foot forward to help those people. Let them out there call you socialist. Let them call you communist if they so care. Let them call us a welfare state. The fact is, we have to take care of the state of our welfare. That's a fact. Those people, many of them, will not be able to help themselves. We are going to have to do it. You are going to have to create the new industry—I don't care who lies down in front of the bulldozer—and get it done! So when the change comes again you will have something solid to be able to get funds to keep this up, because we are not going to keep up the way we are doing with what we have.

If you all do not see that sign where the banks are saying, then what is the use? We might as well go somewhere else. That is what they are telling us. Yes. Hedge fund is still strong; insurance can be a whole lot better; and if you think I am out, I am talking about revenue. That's what the Finance Minister talked about, so let me address it. Yes, we do need to find

the technology by coming and prove. But we have to do some things in this country that this Government does not have the fortitude to do because they have certain elements to please. They just said one; the FCO.

So, what is going to happen to our people? I cringe. I worry and I pray, Madam Speaker, because we are not on the right track. Bringing the accounts up to date is only one thing. Putting bread on people's tables is the plan. Making people work, making people be able to have money to retire on, making people be able to have money for their children, sending their children to school, paying their bills; that has to be the plan. Don't listen to the Auditor General about accounts. That's only part of it. The rest of it the country is failing.

**The Speaker:** BE IT NOW THEREFORE RESOLVED that Government consider immediately setting aside enough funds to address the most needy and worst cases to be able to save those houses involved.

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

**Ayes.**

**The Speaker:** Honourable Leader of the Opposition?

**Hon. W. McKeeva Bush, Leader of the Opposition:** I was just going to call for a division.

**The Speaker:** Madam Clerk, please call a division.

**The Clerk:**

**DIVISION NO. 26**

**Ayes: 13**

**Noes: 0**

\*Hon. Alden. McLaughlin  
 Hon. Moses I. Kirkconnell  
 Hon. D. Kurt Tibbetts  
 Hon. Osbourne V. Bodden  
 Hon. Marco S. Archer  
 Hon. Tara A. Rivers  
 Hon. Anthony S. Eden  
 Mr. Winston C. Connolly  
 Mr. Roy M. McTaggart  
 Mr. Joseph X. Hew  
 Mr. Alva H. Suckoo  
 \*\*Hon. W. McKeeva Bush  
 Mr. Bernie A Bush

**Absentees: 4**

Hon. G. Wayne Panton  
 Capt. A. Eugene Ebanks  
 Mr. D. Ezzard Miller  
 \*\*\*Mr. V. Arden McLean

*\*The Premier, Hon. Alden McLaughlin: Despite all the Leader of the Opposition went on with, the Government supports the Motion. Aye.*

*\*\*Hon. W. McKeever Bush, Leader of the Opposition: Aye. I hold my breath, but I'm praying.*

*\*\*\*Mr. V. Arden McLean: Madam Speaker, I wasn't here while the . . . I don't want to break the rules, because I know where that leads.*

**The Speaker:** The result of the Division: Ayes: 13; Noes: 0; and Absent: 4.

**Agreed by majority on division: Private Member's Motion No. 11/2014-15—Emergency Mortgage Relief Programme, passed.**

**PRIVATE MEMBER'S MOTION NO. 12/2014-15—  
ENHANCED PENALTY FOR CRIMES COMMITTED  
IN THE TOURISM AND FINANCIAL SERVICES  
SECTOR**

**The Speaker:** I recognise the Fifth Elected Member for the district of George Town.

**Mr. Winston C. Connolly, Jr., Fifth Elected Member for George Town:** Thank you, Madam Speaker.

I beg to move the Motion, "Enhanced Penalty for Crimes Committed in the Tourism and Financial Services Sector," which reads as follows:

**WHEREAS there has been a significant increase in crime including robberies and burglaries, armed and otherwise, occurring in residential, tourism and financial services sectors of the Cayman Islands which have a potentially devastating effect on the residents of our districts and their enjoyment of their homes and communities, the central pillars of our economy and the external reputation of the Cayman Islands. Such crimes negatively affect every resident's and business' property value and profit, respectively, and increases the overall cost of living in the Cayman Islands.**

**AND WHEREAS the Cayman Islands Government has identified financial services, tourism (including medical tourism) as central pillars of the economy;**

**AND WHEREAS it is not intended to fetter the Court's discretion in sentencing persons convicted for such offences but necessary to have a zero tolerance to such crimes which affect the entire population and to protect all law abiding residents of the Cayman Islands and its reputation internationally as a safe and friendly destination and one of the preeminent finance and tourism centres in the world;**

**BE IT RESOLVED that the Legislative Assembly considers whether the sentencing laws**

**and guidelines of the Cayman Islands should be amended to expressly provide that crimes committed on these shores and particularly in residential, tourism and financial services sectors, attract double penalties and such actions be taken to change our laws to reflect the wishes of the members of our community to deter criminal activity on all three islands and adopt a zero tolerance position on such criminal activity.**

**The Speaker:** Is there a seconder to the Motion?

I recognise the Second Elected Member for the district of George Town.

**Mr. Roy M. McTaggart:** Madam Speaker, thank you. I beg to second the Motion at hand.

**The Speaker:** The Motion has been duly moved and is now open for debate. Does the honourable Fifth Elected Member for the district of George Town wish to expound upon his Motion?

**Mr. Winston C. Connolly, Jr.:** I do, Madam Speaker. Thank you.

Madam Speaker, one only has to look at the headlines to see what is occurring in these once docile and safe harbours. Along with the increased crime, including robberies, armed and otherwise, on Seven Mile Beach, which is the tourist sector, robberies with knives and guns at restaurants in Little Cayman, by armed robbers on boats, gas stations, wounding at night clubs and other popular spots, foreign expats in financial services being murdered, burglaries in residential areas, use of imitation firearms and real firearms, homes being shot up, nationals and internationals being arrested at our banks for fraud in broad daylight for armed robbery, vehicles stolen at gunpoint, Madam Speaker, that vision which we all accepted, called Vision 2008, where we swore that we wanted a country which would not and did not tolerate criminal activity or drug abuse, is now a nightmare.

Madam Speaker, I have attended public and privately held meetings with concerned residents, with businesses both in the tourism and financial services, and the one theme is, *We have had enough. We are frustrated. We don't know who to turn to, who to trust, we don't see anything as being effective. We want help.*

Madam Speaker, what I am proposing is not "the" answer. But, Madam Speaker, until those that are in the position to put in various strategies increase via the presence in some of these areas, make arrests that result in sentences, this is all that I can bring. I am so happy that my colleague, the Second Elected Member for George Town, and the whole Government support me in this Motion. We have to have deterrents, Madam Speaker. We have to make it very obvious to those who would commit these crimes that we will no longer tolerate this.

Madam Speaker, we would not be doing justice if we were coming up with all of these other comprehensive plans for employment, education, et cetera, if we did not also try to put these deterrents in place to remind criminals that we can only do so much as a government, but you have to do your part. And your part starts with being very cognisant of what your actions can do to all of us. Each and every person in these Cayman Islands benefits from tourism and financial services. That equates to over 70 per cent of direct contribution to our GDP.

Madam Speaker, we really only have two main pillars of this economy. It is where most of our residents get jobs and salaries to support their children. It is where government gets a large amount of its revenue. And, as I said, over 36 per cent of the employment from just financial services alone. In 2012, it was boasted that we had \$53,037 per capita GDP, the 10<sup>th</sup> in the world. We have to be cognisant, notwithstanding the world recession, notwithstanding all of the other external deterrents and attacks on who and what we are in terms of an off-shore financial centre, that our reputation, our rule of law, a surety for businesses, the Christian culture that we boast, and all of those things, remain as close as possible to where they are now, and certainly, not by our own hands should be ever diminish them. We have enough issues to deal with, Madam Speaker.

As I thought about bringing this Motion, I looked at several reports done on the Caribbean as a whole, including the Cayman Islands. The United Nations Development Program just did a report on the region in 2012 and highlighted that high crime rate was hindering development in Caribbean countries as a whole.

That report also said something about the hardline iron-fist policies of Caribbean nations in tackling crime. They described it as short sighted, which proved ineffective and, at times, detrimental to the rule of law. I raised that to say, as I indicated in my introduction, that I know this is not “the” answer. But we have to start somewhere. Maybe if this House remains vigilant in putting forth deterrents for crime, the rest of the country (the other Arms) will stand up and really take notice.

Madam Speaker, in the Yolande Forde report on crime that we commissioned several years ago, her conclusion was that we needed a comprehensive and holistic crime prevention strategy, one that contains elements of situational crime prevention. She hit the nail on the head. It has been several years since that report was done. And I have yet to see someone take it on board as a priority, Madam Speaker. We need to start making these things a priority.

Madam Speaker, I would put that report to anyone in this House and anyone listening as required reading. If you are looking for it on the Internet, it is called “Report on Pre-Disposing Factors to Criminality

in the Cayman Islands.” This was presented to the Honourable Attorney General in June 2006.

Madam Speaker, we have to take these matters in hand. If we do not, then shame on us. We are the same House where the gang culture was downplayed and we said that they were groups of young men. Sticking our heads in the sand has come back to haunt us. When we could have started dealing with things before they blew up, we chose . . . and I do not know the reasons why the minister at that time and the Government at that time did not try to move against the gang culture. But what I am going to recommend today through this Motion is that we stop burying our heads in the sand and that we actually deal with these things head on. Let us acknowledge that the average incarcerated offender is one (and I am quoting from this report, Madam Speaker) who is a “born Caymanian.” We like to say a lot of times that these crimes come from outside.

The average person is incarcerated for two years, **“has not been involved in any wholesome, structured, group-based activity and has spent his spare time aimlessly [in] using and/or selling drugs.”** That average incarcerated offender is one who **“attended church as a child and might even have attended Friday Night Youth Group meetings but often engaged in delinquency and offending behaviour despite such involvement.”**

The average incarcerated offender was someone who **“performed poorly at school and was in the lower and middle sets if he attended the Middle School”** and **“in some cases, had learning deficiencies that went largely untreated in the public school system, and was not exposed to an appropriate educational program that would have allowed him to maintain some commitment to school and achieve success in some specific area of training.”**

The average incarcerated offender was someone who **“displayed serious delinquency during his school years and in many cases, (64%), was suspended or expelled more often than not for fighting and/or using drugs.”**

The average incarcerated offender was someone who **“not young—over 25 years of age; and is a persistent offender—with a history of arrests, prior convictions and who has served time in prison on previous occasions.”**

Madam Speaker, I am not going to go into the rest, but I mention those because I go back to one of the reasons why I am bringing this side of what I see as part of the solution for those people listening, those people in the police, in the judiciary, as policymakers, as lawmakers, to identify that these people could be our sons, our daughters, our neighbours, our cousins, people that we grew up with, people that we see every day. And that makes it everybody’s problem, especially if they are committing these types of heinous crimes. Not only are they part of us, but, if left untreated

ed, if left undeterred, they are going to take us all with them. I can't make it any more clearer, Madam Speaker. The good ship Cayman is sinking. It is sinking because we have buried our heads in the sand for too long. If we do not deal with it now, down the road it is going to be too late.

Madam Speaker, I will never apologise for being hard on crime. I just attended a meeting in Prospect about a month ago, on a Sunday afternoon, surrounded by good, Christian people of the Cayman Islands, concerned law abiding citizens, Madam Speaker, sitting there for about two hours listening to the outrage they had. You know that every Caymanian usually takes it easy on a Sunday afternoon, after church (if they go to church), if not, just as a general day of rest. You know that Caymanians are generally very passive people. The sentiment there was that we have lost hope in the system. The criminals are not deterred. They basically mock us. Even with restraining orders, even while they are in our courts, they come with impunity across the yards. They basically say they are not going to be convicted and will be out to do the same thing again and again and again.

Madam Speaker, when I hear curses from people who I know are very calm, Christian people, speaks volumes to me. It shows the level of frustration, the level of helplessness that these people—our neighbours, our friends, our family—are screaming at us, and now they are cursing at us, to provide some deterrent so that they can enjoy their Island, their homes and what they hold dear.

#### **Moment of interruption—4:30 pm**

**The Speaker:** Honourable Fifth Elected Member for George Town, if you would just give way, I recognise the Honourable Premier, as we have reached the hour of interruption.

#### **SUSPENSION OF STANDING ORDER 10(2)**

**The Premier, Hon. Alden McLaughlin:** I beg to move the suspension of Standing Order 10(2) in order that the business of the House may continue beyond the hour of interruption.

**The Speaker:** The question is that Standing Order 10(2) be suspended to enable the House to continue proceedings beyond the hour of 4:30 pm.

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

**Ayes and one audible No.**

**The Speaker:** The Ayes have it.

**Agreed: Standing Order 10(2) suspended.**

**The Speaker:** Please continue your debate, Fifth Elected Member for George Town.

*[Continuation of Debate on Private Member's Motion No. 12/2014-15]*

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

I just detailed how our good Caymanian people are frustrated beyond belief and how it is out of character for them to be doing and saying what they are saying to those who will listen. And, Madam Speaker, when that happens we know we are all in trouble because some of those people, if they do not see the lawmakers—the courts, the police—doing the right thing, they will start taking matters into their own hands. And then the rule of law, as we know it, starts to erode.

Madam Speaker, the high rate of violent crime has adverse repercussions and has a negative impact on the investment climate and can deter or delay both domestic and foreign investment and, thereby, growth. It leads to higher cost of doing business because we then need to employ security and we need to look at processes and safeguards. We then have to put up with higher insurance costs. We have to replace losses due to theft, arson, and, if we have not yet, we will soon have to put up with reputational loss. Those tourists who report in places like "Trip Advisor" on the cruise ship blogs will not come to Cayman and say they are not coming back. They will write in their blogs and it will go worldwide within seconds. People will make up their minds without anyone giving a report to Government or the people in these Islands.

As I look at this report, posted January 1, 2014, by Jim Walker in "Cruise Law News" . . . and I said that date to show specifically how quickly these things get posted. On January 1, we know that a group of armed men robbed Diamonds International in George Town in the middle of a five-cruise-ship day with 14,000 passengers. In fact, they did it right across the street from the exit of the cruise ship terminal. This report went out almost immediately, and here is what it said: "The robbery occurred when cruise ship passengers were in port. There are reports of photographs of robbers, crashed cars and guns involved in the robbery. There are also photos of tourists with cameras around their necks at the scene." [UNVERIFIED QUOTE].

That same day, Madam Speaker, the US Department of State said that although crime threat in the Cayman Islands is generally considered low, travelers should always take normal precautions. Petty theft, pick-pocketing and purse snatchings also occur. And in a few cases involving sexual assault have been reported to the Embassy.

Madam Speaker, when these things happen in Cayman, they don't just stay here anymore. Even when our media chooses not to report it, or they may

be a bit late in reporting it, the world hears about it instantly. The world, as discerning as it is, can make up its mind based on a blog almost instantaneously. Madam Speaker, this is just an aside, and it is not to do with the Motion per se, but in the same *Cruise Law News*, for the first time I have seen a picture of someone who is charged with three counts of indecent assault, a South African resident who later absconded from these shores. Again, I just raise that because our papers sometimes do not show pictures, et cetera. This not only gives words, but it gives pictures, again, making it that much more dramatic and then also influential.

So, for those of us who think that if we don't see it, it doesn't happen, if we don't hear it, it doesn't happen, or if we don't punish it, then it will go away, we are really disillusioned, Madam Speaker.

Madam Speaker, I don't know if I need to go into all of the research that I have actually done, because I don't think I need to impress upon this honourable House how imperative deterrents are for crime. We have proven over the last few sessions that we share that approach in general. But I will say that it is time that we start taking serious notice, that we start looking at documenting through business victimisation surveys of some sort, using them to influence changes in how the police operate, how the media identifies and reports, and how we look at risks, both from a citizen's standpoint, and also from how these incidents affect the financial and tourism sector that we claim so proudly to be the main pillars of our society. But, most importantly, Madam Speaker, how it affects the good people of the Cayman Islands.

When they go home at night they want to lock doors. And then they have to pay for security and cameras and alarm systems and all these things that when we sit in this House and we talk about the cost of living in Cayman and everybody beats up the Government, the Government is not breaking into homes. The Government is not using machetes and guns and all of those things. So, some of those same people who are crying out for help, are the ones contributing to the overall cost of living in Cayman.

Madam Speaker, we need to seriously look at where we are. We need to address the perception, because at times we hear that crime is going down and we are under control. If the perception out there is that we have lost it all, then, that becomes the reality, Madam Speaker. I don't care what statistics say. And the previous speaker on the motion before this, acknowledged a bit about statistics. I won't go into exactly what he said, but they are numbers. When people feel afraid to go out into the community, if they are locking themselves in their homes, if they are feeling frustrated, their property values are going down and they are not enjoying life, it only takes a matter of time, Madam Speaker, before other things start to happen.

Madam Speaker, I, as a business owner, has been a victim of this type of activity. It has increased the cost of doing business. That is why I raised the financial services component. If we allow armed robberies to happen in broad daylight in our streets, it is only a matter of time before one of those guns goes off and hits a tourist or a child again—because it has already happened with a child in Cayman—or one of those people whom we are sworn to protect in and around our shores. If we think there is a ripple effect from a blog now, imagine when the wrong tourist, the wrong financial services person, the wrong resident gets killed. What happens then, Madam Speaker? An ounce of prevention is worth a pound of cure.

Tourism is particularly sensitive to crime. If we want to revitalise George Town, which covers both financial and tourism sectors, then we need to assure investors and business owners that we will not tolerate any of this activity so that they know that their costs are their hard costs to a large degree; that they do not have to worry about increased insurance if they are in the middle of central George Town, increased security if they are in the middle of central George Town, or other loss prevention costs if they are in the middle of George Town, because George Town redevelopment will be a pipe dream and it will not come with whatever incentives we try to bring along.

Madam Speaker, we have and we boast of multi-million dollar firms and fee-earners, and all of this. But, at the same time, we have noticed in the undercurrents and this House dealt with some of the things like the *Secondhand Dealers Bill*, with the emergence of pawn shops and these types of activities. There is a correlation between these activities, the crimes committed, these things popping up. And also, we need to look at those types of people that we want on our shores, these multi-million dollar businesses and investors, and assure them that we are taking these things seriously because capital is easy to transfer. No longer are the suitcases of money coming in. But the multi-million and billion dollar transfers can go out in a second. Madam Speaker, we have to wake up.

The people that will commit these crimes are hurting their neighbours, their friends, and their family. But, most importantly, Madam Speaker, they are hurting themselves and they are hurting the economy of the Cayman Islands. It is one thing to be unemployed and be needy of a system that helps prop you up for a bit until you can get back on your feet. But if you are disproportionately and actively seeking to destroy that very economy that we are trying to keep afloat, especially in these times, then you are affecting the present and future of each and every single citizen of these Cayman Islands.

Madam Speaker, we need to focus on the impact on businesses since it is a key to our competitiveness and long-term growth process. We need to put in measures, like I said, to control crime, regard-

less of how modest initially. We need to have additional resources put towards crime prevention, put towards crime deterrents.

There are both negative and positive incentives, Madam Speaker. Negative, the deterrent aspect that I spoke about, which is more imprisonment, more crimes solved and cleared up, and tougher sentencing. Then, there are the positive incentives, which are, creating an environment that will create a higher per capita income, a higher share of labour income and GDP, and lower youth unemployment. Madam Speaker, I guess just as a preview, I intend to bring either a private member's motion to address the positive incentives in due course, or ask the Premier (who I have had discussions with in general about this Motion) to champion it as a Government Motion.

These positive incentives, this preservation of wealth that is made in these Islands, those need to happen along with any of the other measures that we are doing, because if we are creating situations where people can come to Cayman, earn millions and take it away as easily and quickly without ensuring that Caymanians are trained, promoted to get to the highest positions in these lands, then we are bigger idiots than, I don't even know who could consider. If we don't ask who we are building it for, and we are not designing it so that our people can benefit, then we are going to be left with the crime and they are going to be left with the bounty.

Madam Speaker, policies to reduce crime should consider both the positive and the negative incentives. We have to deter those committing crime by making them afraid of the expected punishment. But we also have to be cognisant of the opportunity costs, the loss of income in this labour market, the loss of jobs. That is what an effective crime strategy would do for these Islands, Madam Speaker, a strategy that would address the reform of the police and the judiciary to make them more effective and other measures to generally promote pro-poor growth, including improving education outcomes, creating job programmes for the underprivileged and promoting investment in new areas, not just depending on the two pillars that I have decided to focus my Motion on today. Like I said, this crime strategy is something for all parties involved to come together and come up with a holistic approach.

What I can focus on now is not the police accountability or the police community relations, it is not the investment in the police, in the judicial system that will lead to increased probability of capture and probability of convictions, hopefully. It is not focused on the prisons, which would increase the probability of punishment while not compromising on human rights. It is my Motion, one seconded by the Second Elected Member for George Town, that says let's identify that these two areas are of utmost importance in all of our livelihoods, that they flow into every resident's enjoy-

ment of the Cayman Islands and every tourist's view and enjoyment likewise.

Madam Speaker, if we do not focus on these deterrents, if we do not get strict on crime, if we do not put these first blocks into the foundation, then all the improvements we have spoken about, including the quality of the school experience, the teaching of technical and vocational skills, effective partnerships between police, businesses, local communities, the building up of social capital, all of those will not matter at all if people are not afraid of the sentences they would face and the zero tolerance the community has for such activities.

Madam Speaker, I know we are going into some of those things and we have heard them before, about targeting high crime and targeting youth at risk. I am happy to say that we are doing some of those things. But it has hardly been enough if every time we pick up the newspaper we see it escalating. We see people now becoming so brazen that they will go into places that they would never go into before and rob locals and tourists alike, without any regard for how it affects the rest of us, without any regard about how their actions disproportionately affect their families, friends and neighbours. I think part of that is a failing by us as lawmakers because we have ignored it to a large degree over the years. And this is now a result of those same groups of young men that we were afraid to call gangs and otherwise. So it is the result of some of the corporate greed where we tried to make as much as we could and we didn't care about anyone who was below us. This is about the people living in the good areas who said, *Crime only happens on the outskirts and does not affect me, so why should I be bothered?*

This is the result of some of the churches and other groups looking after their own small nuclear families and parishioners without having due regard for the wider community.

Madam Speaker, in closing, a number of studies have looked at the adverse effect that crime is having on our development and quality of life. Not only does crime cause human suffering. I hope I have demonstrated that it can cause capital flight, loss of some people with skills or education, because when they are shot and killed they are no longer here to contribute to our society, and it can cause an adverse perception and reaction to our country's investment climate. Crime also has a negative effect on social development by diverting those limited resources that we have, away from health and education to security and insurance and the control and policing of crime, and the provision of facilities necessary for the administration of justice. Basically, if we do not stop to consider increasing the deterrents as one phase of this overall crime strategy (and I am not an expert, so I have to depend on the experts for crime strategy), it will affect the quality of life for every single person in these Islands.

It also affects the mental and physical wellbeing of our people because as people focus more on crime and violence, other than things like unemployment, healthcare and other issues, they become more and more as people in despair. In my research I looked at some of what the region was saying and I think it was in Jamaica where the National Security Minister, Peter Bunting, said, based on the research that was carried out by the University of the West Indies, and this was very profound. I would love to see what the figures are in Cayman, but this is what he said. He said that over the last 40 years if Jamaica had had a normal crime rate the country's economy in terms of GDP growth would have been between three and ten times greater.

Madam Speaker, with all of the things we have going for us in the Cayman Islands, imagine what those numbers in Cayman would be if we did not have accelerating crime.

In the Bahamas the Prime Minister, Perry Christie, suggested that crime had become the most significant challenge to economic development that his country and the region had to address. He noted that the effect of the escalation in criminal violence, robbery, and theft across the region was being underestimated and that there was no isolation in terms of the stigmatisation of the entire region. And we are adding to that now when once we were so isolated from that.

Madam Speaker, a decade ago we would have cringed and have been in utter shock over words like "murder," "armed robbery," "kidnapping," "organised crime," "smuggling of arms," "piracy," "people trafficking," "extortion," and "corruption." Now this is commonplace and is yesterday's news. Madam Speaker, successive Governments have failed to fully address the crime in this country and we have got levels that have risen so rapidly that we do not even know how it affects us at this stage.

We recently started a trend in this House that I hope continues until the other players step up to the plate. And that is to really look at having deterrents to crime. We do not want, as other neighbours, to have to start making deals with the dons and the parishes and other areas just to operate. Madam Speaker, the writing is on the wall. We need to get tough on it now. We need to stop those that do not even know the effect of what they are doing to the rest of us, to their children, and to their children's children. If we can do that as members of Government, if we can stem what some people feel is inevitable by actually focusing on it and acknowledging it, if we can use those failures as examples and find a way to isolate those engaged in criminal activity and really focus on changing their behaviours, then I think we will find a few of the answers that we need to ensure, at the very least, what we have come to know and enjoy. The relative prosperity we have as a country, is not diminished and we can use those pillars and those positive experiences and

that sense of enjoyment in the Cayman Islands and what they have to offer as catalysts for future pillars in this economy, then we will have gone and done a number of good things that history will speak to and judge us on.

Madam Speaker, I know that addressing these issues during an economic downturn with rising unemployment is not easy for any Government. But, Madam Speaker, the only real long-term answer lies in the public demonstration of moral leadership by those in politics, but it does not stop there. It includes the church, the media, businesses and every citizen in these Islands. I am ad-libbing from David Jessop, who is the Director of the Caribbean Council, who said words along those same lines.

All we have to do is look around us to see the consequence of inaction. So, Madam Speaker, with those not-so-brief words, I hope that this honourable House considers enhancing the penalties that we currently have for those types of crimes committed in primarily the financial services and tourism sectors, but not forgetting the most important sector, the personal sector; the residents in all the different residential areas of these Islands.

In short, I just want us to get tougher on crime as soon as possible, because by shouting that loud, we tell the other players that they need to get up, start their part, and let's end up with a comprehensive crime strategy that addresses all of the things that I touched on today.

Madam Speaker, I will now rest.

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

I recognise the Leader of the Opposition.

**Hon. W. McKeeva Bush, Leader of the Opposition:** Madam Speaker—

*[Inaudible interjection]*

**Hon. W. McKeeva Bush, Leader of the Opposition:** Wait who out? Who I ga wait out?

**Mr. V. Arden McLean, Member for East End:** Make Mose get up. He's answering on behalf of the Government.

**Hon. W. McKeeva Bush, Leader of the Opposition:** Mose on behalf of the Government? He's speaking for the Government?

*[Laughter]*

**Hon. W. McKeeva Bush, Leader of the Opposition:** You don't understand how this thing goes, or what? You see any of them getting up out there?

Madam Speaker, no doubt that being tough on crime is something that we all desire, believe in,

want to see happen. The Member from George Town took a long time to go through the various things that he thinks are wrong, even from when it was said that it was not in 1998, and it wasn't gangs.

*[Inaudible interjection]*

**Hon. W. McKeeva Bush, Leader of the Opposition:** Huh?

*[Inaudible interjection]*

**Hon. W. McKeeva Bush, Leader of the Opposition:** No.

In 1998 I was over here with you trying to keep from beating him up.

**Mr. V. Arden McLean:** And then you named two places after him!

*[Inaudible interjections and laughter]*

**Hon. W. McKeeva Bush, Leader of the Opposition:** I have a good memory you know.

*[Inaudible interjections]*

**Hon. W. McKeeva Bush, Leader of the Opposition:** Oh yes. I have a good memory.

So, Madam Speaker,—

**Mr. V. Arden McLean:** The Law School [INAUDIBLE]

**Hon. W. McKeeva Bush, Leader of the Opposition:** Yes well . . . remember what I said this morning about a fraternity here? Try to remember that, instead of killing one another. There are things we can name people after.

Sorry, Madam Speaker, that I had to digress, but when it is so loud that perhaps the television or radio is picking it up, we need to address it. And, yes, even though it was said back then in 1998 that there were not gangs, there were groups, so the complaint is that I named buildings after him. Yes. Of course I did. I think he did a great job in that area. And that is what we all need to recognise in this House, that there are works that we do that we should be tapping our people on the shoulder, because when we tear ourselves down, what else happens out there? They tear us down more and more.

**Mr. V. Arden McLean:** [INAUDIBLE]

**Hon. W. McKeeva Bush, Leader of the Opposition:** Oh stop. You were not a victim in this. Stop trying to make yourself be a victim, eh. You ain't a victim here.

Madam Speaker, this whole matter of crime is a matter that all of us are concerned about. We have said so in many various speeches. What the Member

is trying to do here and what is proposed is not the solution I am hoping for.

Madam Speaker, what I worry about is whether this Motion is going to add to the cost of the prison service and add to the burden of family members who will have to visit and provide care packages to the loved ones in jail. Some people will say, *Well, so be it*. I think even the Member presenting it will recognise that that is going to be an effect that we would have to contend with. But he did say since the breakdown in the job market, particularly the casual labour sector, we have seen these increases. I have said that in calm times and I have said it in the midst of heat, that that is the problem.

As I look back over the years, the one thing that I know is that when Caymanians do not have jobs, break-ins occur. When certain people are complaining about the police, the police are doing a good job. When they are not complaining, if those of us know who lives around, when those people are complaining we know the police are doing a good job. When they are not complaining we know that the police are not doing anything. That is what I have learned over the years by being active in my community. But that is the problem.

Just the other day we heard about a young lady who was caught shop lifting because she could not find a job and had to feed her young child. So, we sent her to jail for four, six, eight years, and what happens to the child? We are adding a cost there, and we are adding a cost to the Government, so it is a double whammy.

Not to say that we do not need to do something. We have to find a situation, come to a point where we can take this thing head on. I do believe this in a more stable work force that if Caymanians got jobs and the motion that the two backbench Members, the one moving this one now and I think he and the Fourth Elected Member for Bodden Town brought the other day regarding jobs for Caymanians, if Caymanians get jobs, many of the safety concerns are going to go. Not all of it, because he has identified or brought to our attention things that we know about certain elements.

We see in the United States that these sorts of draconian and hard sentences are being reduced to work more with people. Now, I do not know that that can be our situation here. I do not know, because you might look at them and say too, *Well that's not helping them*, because you see more and more going on over there that you would not want to see happening here. But I certainly do not know that this is going to be a solution. And I do not know if he said it was, or it must help. I guess that is what he is driving at, that we must find something that is going to help alleviate the problem. But I do not know if that is going to be.

What else I consider is how the Motion identifies certain areas or zones as areas where to commit a crime would lead to doubling a prison sentence. I do

not know if we think about just those areas or if we add other areas to it, because if we look at if a crime is committed at Camana Bay, a person would receive double time in prison as a man who committed the same crime in the industrial park, for instance. There are many more Caymanian businesses, dare I say, small businesses in that area like industrial park that are equally important to protect. That is what I am saying.

*[Inaudible interjection]*

**Hon. W. McKeever Bush, Leader of the Opposition:** I do not know if that is what we are getting at.

*[Inaudible interjection]*

**Hon. W. McKeever Bush, Leader of the Opposition:** Well, if we cover more areas then, hopefully it will be something effective. But you wouldn't want to leave just . . . what I heard most was the tourism sector and those areas, which need to be. There needs to be. But are we going to get just the sentencing? Or are we going to make sure that the police force is going to have more presence?

*[Inaudible interjection]*

**Hon. W. McKeever Bush, Leader of the Opposition:** That is where the concern . . . protecting the areas by increasing police presence, reintroducing foot patrols and community policing and community neighbourhood watches are things that will certainly help.

**Mr. V. Arden McLean:** Beating um with those lignum vitae staffs.

**Hon. W. McKeever Bush, Leader of the Opposition:** Madam Speaker, I see the effort. Maybe in closing the Member can explain some of these other things that I might have missed, because I was outside for a while. But I'll see where we are at and whether this is going to be able to address this problem that we have. Whether the force needs redirection or whether the sentencing alone is a deterrent, is a question that I have to ask.

Now we know that that alone, hard things like murder, people were. We know when they had hanging for murder. We believed that kept the murders down. In these other burglaries and so on, where they get . . . well, the moon is up now. Is that really going to help the situation? That is my concern, Madam Speaker.

As I said, I will wait to see what the Member says when he rises to close the debate.

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

I recognise the Honourable Minister responsible for Tourism.

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

I rise on behalf of the Government to accept Private Member's Motion 12/2014-15, Enhanced Penalties for Crimes Committed Tourism and Financial Services Sector, brought by the Fifth Elected Member for George Town and very ably debated here in his first contribution. I am sure when he winds up it will be very ably wound up. It was seconded by the Second Elected Member for George Town.

Madam Speaker, this has been to our caucus a couple of different times and we have had the opportunity, all caucus members, to discuss it with the Member who brought it and the Member who seconded it. The common theme that the mover has brought out in this is that there is no one solution for crime. But he has made it very clear. The Government has accepted that there is zero tolerance effort is one of the solutions.

We also clearly, as was brought out, accept that strengthening the family unit is needed. We understand the work force and the economy improvement as has been outlined earlier today, that the employment rate is going in the correct direction with more people being hired.

**Hon. W. McKeever Bush, Leader of the Opposition:** Where? Where?

**Hon. Moses I. Kirkconnell:** And also the enforcement, Madam Speaker, of the areas that need more attention and the improvements.

From the standpoint of tourism, Madam Speaker, which was in the Motion, I can tell you that stay-over tourism is at 12 per cent for the year increase, over last year.

**Hon. W. McKeever Bush, Leader of the Opposition:** We know that.

**Hon. Moses I. Kirkconnell:** I wanted to make sure you knew.

**Hon. W. McKeever Bush, Leader of the Opposition:** Wanted to make sure I knew?

**Hon. Moses I. Kirkconnell:** The Cruise is at 20 per cent, Madam Speaker. And we can very easily lose our competitive edge in the region. We can very easily lose the numbers that are adding jobs. The Hospitality School that has been opened, we can lose the enthusiasm of the young people who want to attend that school, Madam Speaker. So it is extremely important from the standpoint of my Ministry, being the Minister responsible for Tourism, and from our caucus mem-

bers that have looked at this and agree with the Motion.

Madam Speaker, it also mentions the other pillar of finance. We are very pleased that that is obviously continuing to move in the right direction. And we understand that we also have to look at not one solution but many solutions that combine into the zero tolerance of improving the issue of crime on our shores, including the white collar crime as well.

Madam Speaker, in the “whereas”, it says, **“Such crimes negatively affect every resident's and business' property value and profit, respectively, and increases the overall cost of living in the Cayman Islands.”** We certainly agree with that, Madam Speaker, and the operative here is “every resident.”

It goes on in the third “whereas” and says, **“affect the entire population and to protect all law abiding residents of the Cayman Islands . . .”** Madam Speaker, that is what this Motion talks to, the entire population **“and to protect all law abiding residents of the Cayman Islands and its reputation internationally as a safe and friendly destination and one of the preeminent finance and tourism centres in the world.”**

Madam Speaker, what this Motion does in the resolve section is to say, **“BE IT RESOLVED that the Legislative Assembly considers whether the sentencing laws and guidelines of the Cayman Islands should be amended . . .”** What this does is give us the opportunity in the zero tolerance to look at it and consider whether changing certain laws will be a deterrent to crime. It brings the topic to where the conversation is on the table, Madam Speaker, and it can be discussed and decided if this is something that will help deter crime, if this is something that points us in the direction of zero tolerance.

Madam Speaker, it goes on to say that **“residential, tourism and financial services sectors”** basically including, as it has said before, all the residents of the Cayman Islands, could attract up to **“double penalties and such actions be taken to change our laws”** (again, to look at and see, consider whether this is going to be one of the added steps of zero tolerance to crime in our country).

Madam Speaker, I again say that the mover, the Fifth Elected Member for George Town, has very ably presented this Motion. There is not a lot more that I can add. But I am very happy to say that the Government accepts this. Again, we look forward to voting affirmatively on it and congratulate the Fifth Elected Member for George Town and the Second Elected Member for George Town. Thank you, Madam Speaker.

**The Speaker:** I recognise the Member for East End.

**Mr. V. Arden McLean:** Thank you, Madam Speaker. I trust that I will be as short as the Deputy Premier.

**An Hon. Member:** I hope.

**Mr. V. Arden McLean:** No hope. I'll be shorter than you.

Madam Speaker, not only do I applaud the efforts of the Fifth Elected Member for George Town, I think I should applaud the efforts of all the new Members of this honourable House, who, since May 2013 have brought motions here in the same line as this one, talking about increased sentencing. I think the Sixth Elected Member for George Town brought one recently as well. And the Member for North Side and I brought the “Three Strikes and You're Out” [motion]. But, Madam Speaker, we are at the end of the cause of crime in this country. Legislation is the nuclear option. There is much that starts prior to that.

Madam Speaker, I believe that this country is at the crossroads right now in our justice system. And when I say the justice system, there are many arms to this justice system. There are many tentacles that make up this justice system, not least of all is the police force, and the DPP [office of the Director of Public Prosecution], the prosecutorial arm of our justice system; the courts, the justices of the peace who have been maligned for quite some time. But, Madam Speaker, every arm, or every tentacle of that justice system makes it one system. And we do not change the system. It is individuals who operate the system that we have to shift around and understand their competencies, the plans that are in place, to ensure that that system is enhanced.

One of the main aspects of that system just happens to be the police force. In the absence of a robust front line police department, for a well thought-out planned strategy and objectives laid out, we are spinning our wheels in the mud. We have witnessed it on the eastern end of the Island. We have seen increases in crime, contrary to what the statistics talk about.

I heard the Minister of Finance talk about statistics this morning. Statistics, Madam Speaker, just happen to be paper and ink and what has been reported. I am not saying they are wrong. I am saying those of us who are on the ground know that those statistics do not reflect what is on the ground.

Madam Speaker, I fought for many years, long before I even thought about coming in here, about policing in East End. So much so, that the late Will Jackson commissioned Darrel and I and other members of the community to make a trip to the Governor; Governor Scott. So you know how long ago that was. He has even been erased from our memories now. And Madam Speaker, the key was police presence, police response. That representation was made based on a historical perspective that the people of East End had enjoyed for a very long time, which was, that whenever we have police presence in that district, crime is reduced, behaviours change. Now, Madam Speaker, I do not think it is any different in West Bay

or George Town, or Bodden Town for that matter, or Cayman Brac and Little Cayman or North Side.

In recent times it has gone from bad to worse. We have police turning up the next day. I have a responsibility in this country to ensure the security of the people too, so I need to be careful what I say. But by the same token, I cannot be afraid of holding those responsible who are responsible. Every time I get representation about policing, it is me who is blamed. It is me and it is all 18 Members of the elected arm of these honourable Chambers.

What am I saying? I am saying to the Fifth and Second Elected Members for George Town that their efforts are honourable. I am saying to the Sixth Elected Member for George Town, your efforts are honourable. And they must be applauded. But you are at the end of the line. I am saying to the Member for North Side that his efforts are applauded, commendable. But we are addressing the end of the line. There needs to be something between birth and death. And this country is in a vacuum. The question is: Are we prepared to address that?

Are we?

Let us talk about addressing the different tentacles that make up that justice system. Let us be bold and understand that it is our people who are at risk. It is our people who run the risk of forever being caught up in crime which never reaches the court house. In other words, it is for naught for us to stand here and increase the penalties when no one is getting caught. And if they are caught, too many are unsuccessfully prosecuted. So it is but ink on a piece of paper that we call "law."

Madam Speaker, in the day that I spoke about us having a perspective of with the late Will Jackson, there used to be one policeman in East End controlling the entire district. And anyone who thought they were a bad boy got a bad lick; now, no policeman, 400-odd in Cayman. Let me digress a little bit.

All we need to do is look right in these halloved halls and you will see the whole regiment of the defence force of the country in one picture out there. There were so few of them, they could all fit in one picture. About six policemen when we had 10,000 people in this country, or 7,000 [of them] welcoming the Commissioner of Jamaica, who used to come here once every couple years. But they had control. Now we have 50,000 (or so we say), and we have 400 and big number on the force.

Madam Speaker, I know nothing of policing. I do not profess to know. At this age I could not even ride in the police car, except if I am arrested. Madam Speaker, don't tell me we have 400-and-odd policemen and they can't control these little districts to stop this crime that we are trying to put laws in place to punish people after they get caught. But they are not getting caught! There is no deterrent.

We are going to the end to legislate what we, the Fifth Elected Member for George Town, and his

colleagues, hope will deter crime. That does not deter crime in all its tentacles. It doesn't. When you get police turning up a day or two days after to take finger prints, you really think we are going to reach the sentencing stage? We are not, Madam Speaker. And I am not trying to be disrespectful, what I am saying is that we need to make some big decisions. We are leaders of this country. They are depending upon us to ensure their safety. Making the laws of higher sentencing does not ensure safety. It has nothing to do with it. Their safety comes before they die, before the break-in kills them, and their families.

Does everybody get where I am going? The very subject of intervention we had this morning. We need to listen. We need to hear our people. That is who we represent.

The Leader of the Opposition skirted very close to it a while ago. We need to listen, feel, and understand what our people are saying. It's a good sound-bite for us to come in here and make them know we are looking out for their interest in laws. It starts before that. Madam Speaker, you do realise, and I have been here long enough to see it; the Caymanian people are very discerning electors. They will punish you. They will remove you if they do not think you are doing what is in their best interest. This is but sound-bites. Tough decisions have to be made in this country, and they have to be made now.

I understand, Madam Speaker, that tough decisions attract a cost. I know that. We all know that. I understand that breaking contracts means that people have to understand that it costs. But what is worse, the cost of our safety or the dismissal of a few individuals and the paying out of contracts? This is about a long-term commitment to ensure that this does not translate into 10, 15 years down the road and a chokehold is put on our children and the next generation because we didn't address the proper area of this justice system. We need to.

Madam Speaker, if we do not, our tenure will be a disservice to the very people we serve. History will make us know. History will condemn us, or it will be kind to us, depending on what we do. I am conscious, Madam Speaker, I am very conscious of the fact that we form a part of that justice arm as well. I am very conscious of that. And I have to be very circumspect as to how far I take these types of things. But, Madam Speaker, we have seen so many failings in our country, and failures to address the very issues that adversely affect our people. And we sit and we talk about it, and we have the front porch politics about it, and we talk to our neighbours about it, and they whisper in the byways about the Minister of Health and the Deputy Leader, and the Minister of Education and the Member for Bodden Town and the Member for George Town, and they whisper. And they beg and they coerce and they cajole in their minds that we do something. But we do nothing.

We hear it, and then we are restricted. More so, Madam Speaker, we restrict ourselves. For nothing! If we cannot make these bold decisions, these bold steps, I promise the other 17 Members in these hallowed halls that in the evening of life you are going to be reminded or you are going to find yourselves in an embarrassing situation. You will not even be able to lie on your porch in your hammock. Don't look only about today and our position as elected representatives.

This is far-reaching, much farther than we can comprehend right now. It is much greater than any individual in here. But collectively we have the authority to lead this country, whether we are on that side or we are on this side. The coming together of the 18 Members behind closed doors is nigh, is needed now. If we have to go in there, Madam Speaker, and take the oath of secrecy, then so be it. It is here. And if we do not embrace the chance, the opportunity to correct the ills that are being visited upon our people, we are going to pay the price along with our people. Do you think they are going to carve out our yards and bypass them? No. They are not.

I wouldn't be surprised if your mistletoe is a cross made out of blood. Madam Speaker, we need to deal with it now. We need to put the partisan differences aside. We need to put personal grievances aside and address our people, their safety in particular. We will always find something to eat. We will not always be immune from the crime on our doorstep. No matter where you live, whether you are in the financial industry along West Bay Beach, you are at South Sound, you are in some other little community within our communities; we are going to have it visited upon us if this continues. The longer we wait, the quicker it will reach our doorstep.

Are we ready? Oh, we are sympathetic to it because it is not on our doorstep yet. But as soon as it reaches our doorsteps, we are going to be just like those to whom it has been visited upon prior. We are going to start crying and saying something needs to be done. Too late will be the cry.

Madam Speaker, I support these young men and women in bringing these things. Well, the Member for North Side is not too young. You know that, Madam Speaker.

*[Laughter]*

**Mr. V. Arden McLean:** I support them. But they need to encourage that Deputy Premier and that Premier and the Minister for Works, because we know those are the three de facto leaders. They need to corral them into getting us all together. This is not about the Member for East End and the Premier and our friendship, or lack thereof. This is about our people, his people, the Deputy Leader's people, and the people of the Minister of Works. I don't care how big they are for

their bitches. It doesn't matter. You all need to tell them, to remind them of why you are here.

The Leader of the Opposition has a responsibility too. This goes much deeper than making the laws. And if we do not address it we are going to be losers. And forget about the election. I don't want to hear anything about election! When that time comes you will have to go out there and beg to be re-elected. 1) You might not get to the next election; 2) your begging will be for naught. Do what is right!

Ask the Leader of the Opposition. He's been elected, what, seven, eight, nine, ten times. And likely to still get elected any time he wants because addressing the areas that we have to. We have to make the hard decisions, Madam Speaker. And this is an easy one. This is an easy one. There is nothing wrong with enhancing the penalties, but we need to catch the criminal first. Or we need to deter them by having greater presence, authority, over them. We have to stop them from becoming criminals, as the Minister of Health said. That's where it begins, and that's where it ends, Madam Speaker.

I will repeat: our country is at the crossroads. We have to decide whether it is the money from the financial industry, the taxes from the people, the balancing of our books, no country can measure its success on its balance sheet. No country. Is that our objective? That's only one small part. This country goes on in perpetuity. We don't, but our country does. If it is not us, it will be someone else!

How do we help this country go on in perpetuity? What part do we play? Do you think it is about making laws?

**Hon. W. McKeever Bush, Leader of the Opposition:** No.

**Mr. V. Arden McLean:** It is much greater than that.

**Hon. W. McKeever Bush, Leader of the Opposition:** That's right.

**Mr. V. Arden McLean:** I do not have any grandchildren. Maybe one day I will. Don't you think I need to think about that day? Don't you think we all need to think about that day with not only about our own grandchildren and their children, but this whole country? What are we going to make them be born into? Burglar bars? Is that what we want? Or do we want to stand now and say we made the decision to our own personal detriment to ensure they are not born into burglar bars? That's the question we have to ask. If we can answer that, Madam Speaker, we will make the right decisions.

We cannot have all of this money being spent in our country to secure the safety of our people and wait until the crime has happened. We cannot sit down and do this. It happens before then. If we do nothing we are going to pay a price. Each day that

passes, we get older and further into the sunset. And someone else gets older and comes into the future. What part are we playing? Are we preparing that future or sitting idly by to fade into the sunset?

Part of fading into the sunset is preparing the future for those who are younger. We like to pay lip service to this thing about leaving the country better than we found it, and we are stewards. Oh, what nice buzz words. Stewards? Well, if we want to be stewards, we have to make some sacrifices too. We have to make some sacrifices, Madam Speaker, and that sacrifice is make the decisions and let the chips fall where they may.

Madam Speaker, I did tell the Deputy Premier that I was going to be shorter than him, but I guess sometimes the thoughts of him being too short—

*[Inaudible interjections]*

**Mr. V. Arden McLean:** Makes me wonder if I shouldn't make up for it, you know?

Madam Speaker, I believe a lot of these young Members, rookies. No, we can't call them rookies any more. I need to avoid calling them rookies. But I believe there is future, but that future cannot be by us just sitting down. We have to employ the NIKE slogan, "Just do it." I am not saying let's get up and make rash decisions that are going to adversely affect the country. I believe we need to think them through. I honestly do. But we can't sit down for five or ten years wondering which individual's toes we are going to step on.

Madam Speaker, I have always believed that if someone kicks you in the rear end, you should consider it a step forward, even if it is out of a job. And if you step on someone's toes that means they are close to you and they are confronting you. So there is a choice we have to make. What about them stepping on our toes? There is a choice we have to make. We are going to save a country, save a democratic system, save a justice system by ridding ourselves of a few individuals, or we are going to destroy the future for the next generation . . . potentially. Madam Speaker, let me qualify it by saying potentially damage the future of the next generation. Those are the choices we have. If that means that I am that individual, then so be it. No country has survived without shedding the blood of some of its people. And I don't mean physically only, I mean figuratively too. Somebody must—*must*—sacrifice for others to go on.

For the country to go on in perpetuity someone must be sacrificed. We were taught this in the Bible. Someone has to be the sacrificial lamb. If that is Arden, then, so be it, as long as it makes this country better. No one is holding a gun to our head. Get up, go and write your resignation now and leave! No one brought you here. You came here on your own accord by going out there and asking the electors to vote for you. No one keeps me here. But as long as I am here,

I have a responsibility. As long as you are here, you have a responsibility to protect the people who put you here. You think it's only those few in East End who put me in that I have a responsibility to? In particular, yes; but in general I have a responsibility to my country and to the people who walk this country. And I can tell you that there are more good people than there are bad people.

Someone needs to be sacrificed. It matters not to me who it is—family or no family; friend or foe. I am committed to defending this country against all enemies, foreign and local. That is what I am committed to. I have already done that. I have served my time. I am prepared to serve the rest of it.

Madam Speaker, to the two Members for George Town, again, congratulations, but try to understand where I am coming from. It has nothing to do about your Motion; it has to do about the other responsibilities we have. This is wonderful. Let's increase the [penalties of] crime, whether it is tourism, financial, up by East End right in the middle of it, or in Bodden Town, George Town, or in the middle of it where not one financial cart has driven through. And up in Cayman Brac, same thing. This has to do with us stopping it. That's the other arm of this. Let us get to the real root of the problem, to the real cause of this problem.

Let us not have our people waiting for two days for police to come and investigate the crime. Let us not have the judges' call in all the lawyers to apologise to the court. What we are looking at is we want to punish the little criminal, and oh, they deserve to be punished. What about us? We deserve to be flogged too for not putting provisions in place to prevent it. And all those who have responsibility need to be flogged too.

Madam Speaker, I know I see you looking at me with that kind of slanted eye. And you and I know what that means. I will not disclose it to them out there until after and I will tell them what the over-the-glass eye meant.

So, Madam Speaker, again, I thank the young men over there and the not-so-young one who were instrumental in bringing this. I do not have a problem with supporting it, Madam Speaker, but I also want everyone to think about what I said. Let us look elsewhere too. It's important. Every one of you even have six month old babies . . . you haven't gotten a baby yet?

*[Inaudible interjection]*

**Mr. V. Arden McLean:** One and a half. One is three quarter. One is a little bit too. Babies—thankfully all of mine are almost finished.

Be careful. Let us deal with this. You have the same power. Everyone in here was elected on the same basis. Not one person in here elected the other. There is a democratic process and each of you went

out there, each of us went out there and begged to be the representatives. Let's not let our people down.

Thank you, Madam Speaker.

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

I recognise the Honourable Minister of Education.

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

I too rise to make a contribution to the Private Member's Motion on the floor currently. To say that the issue of crime, crime reduction and crime prevention is a complex issue would be a real understatement. The fact is that I do not think (and I stand to be corrected) there is any one study, any one document, or any one statement that can tell us what the cause of crime is.

We heard the Fifth Elected Member for George Town talk about the Yolande Forde report in his introduction about the predisposing factors related to crime. I think that is probably by far, in our history, one of the most (and I say one of the most because there may have been studies or reports that predate that one) comprehensive reports to look at some of the predisposing factors to crime and criminality.

Madam Speaker, I rise to acknowledge this Government, through the actions taken by a number of backbenchers as well as the Member for North Side, as it relates to the issue of crime and the various Private Members' Motions that have been brought to date regarding increasing the penalties as it relates to crime and the "Three Strikes and You're Out" motion. But, as the Minister of Education, and as somebody who was the champion for the development and implementation of the first ever National Youth Policy of the Cayman Islands in 2000, along with my colleague from West Bay, the Third Elected Member, my perspective is, as was discussed by the Fifth Elected Member [for George Town] is that we need not just look at the punitive aspects as it relates to crime but also look more at prevention and what some of these predisposing factors are and how do we address them before they actually become full blown incidents of crime and criminality.

Madam Speaker, I, for one, knows more than anybody else about the state of the Government in 1998 and its denial of the term and the issue of gangs and gang-related activities. Madam Speaker, I believe the 2000 National Youth Policy that was adopted in May of 2000 by this honourable House is probably the first document to actually make reference to the fact that this situation existed. That is because that during that process we spoke to over 1,000 young people in this country, including people in the prison, including persons in the churches, including persons in the schools, communities, et cetera. And it came through

loud and clear that we had some serious, significant social concerns and realities for a number of young people.

Now, Madam Speaker, I am sure during that time in 1998 to 2000, the 18-month long process it took to develop that first ever comprehensive National Youth Policy, those issues existed long before. But the fact is that it was the first time the country decided to look at the situation of youth and all of the aspects related to youth. One of those aspects was definitely the issue of crime and young people being able to make that transition between youth and adulthood in a positive manner.

Madam Speaker, I do not want to speak as if the incidents and the increase in crime should be equated with young people solely. I think we would do our youth a big disservice by not recognising that many of them do make that transition and many of them do spend their youth in a very positive and productive manner. And we need, as a country, to continue to recognise those efforts, continue to create opportunities that the Youth Policy in particular calls for with respect to giving them the ability to have a real voice, have real ability to participate in the community in which they live and in which they are required to navigate on a daily basis.

Madam Speaker, it is a reality, and it is a fact, that a number of these concerns are exacerbated and affect young people, in particular the incidence of youth unemployment and other concerns.

Madam Speaker, I only draw reference to the fact that this honourable House and this country adopted this policy in 2000. But, had we as a country at that time seriously decided to implement and carry the National Youth Policy forward between the years of 2000 and 2013, we might have seen a very different reality today. A number of initiatives had been adopted and carried forward, but, Madam Speaker, the lion's share of the issues identified in that policy, still, I believe have yet to be addressed.

I am heartened by the fact, Madam Speaker, that this Government, as was expressed in statements on the SPS, as well as in the SPS document itself on page 59, is committed to seeing the full implementation of the National Youth Policy as it relates to developing data-driven strategies for youth development. I will continue to advocate and I will continue to work with the Minister of Youth in whatever capacity I can to ensure that we actually look at addressing the number and the myriad of issues which were highlighted in black and white to this county some 14 years ago.

Madam Speaker, I say that to reiterate that adage that "an ounce of prevention is worth more than a pound of cure." We hear the Leader of the Opposition talk about the increasing costs and his concerns as it relates to the increasing costs of this particular Motion. Madam Speaker, I too have concerns about how, as a country, we spend our money, we spend

our resources. As long as I am here with the constitutional responsibility for education I will continue to advocate that we spend and that we continue to invest, but not just invest for the sake of investing, but we invest wisely in ways to help prevent future incidences of crime.

Madam Speaker, I know that does not deal with the here and now. That does not deal with the fact that we have in certain quarters an increasing issue of crime and we are, therefore, forced to find ways to address that. So I am by no means saying that we must divert all resources to prevention and not deal with the here and now. But, Madam Speaker, if we do not continue to focus on that aspect of trying to find ways to prevent and intervene in potential situations that could lead to crime, we will continue to spend more and more on the back end with less and less result.

Madam Speaker, that is why during my campaign, as well as shortly upon taking office as Minister responsible for Education, and on behalf of the Government, I made it very clear that one of the primary policy objectives which, Madam Speaker, having reviewed what was then the recently adopted National Education Strategic Plan, seemed to be a major gap; one of the areas that needed to be focused on for future prevention was the idea and the need to have entrenched conflict resolution training and crime reduction strategy and curriculum in the education sector.

We had a 2010 report on the crime reduction strategy which clearly called for such a need in our schools. I am happy to state, Madam Speaker, that upon taking office I communicated a number of policy priorities which this Government believes is important and which I personally campaigned on with respect to trying to address the concern about the escalating crime and one of those was just that, to introduce this conflict resolution training and crime reduction strategy.

Madam Speaker, shortly after taking office, the Ministry team was charged to develop initiatives to address these policy priorities. As I continue to state time and time again, it is important that we as a Government continue to have a solutions based approach. It is not good enough for us to get up here and talk about the issues, argue about the issues, pontificate about the issues, speculate about the issues, we are charged with the responsibility as elected representatives to try and find solutions to the issues.

So, Madam Speaker, I am happy to report at this stage that in the last academic year, 2013/14 and in this current academic year of 2014/15, the Ministry has been leading on a number of conflict resolution training and crime reduction strategy initiatives within our schools to help address the beginning part of this growing concern of crime, which is the prevention and intervention aspect.

The Ministry in the 2013/14 year has developed what is known as a Cayman Safe Management and Risk Reduction Training. That is a three module training programme developed by the Ministry technocrats and is geared toward helping to train persons in education, teachers, administrators, people involved with our children, on how to understand behaviours, how to better deal with de-escalating behaviours, as well as what is considered appropriate physical handling training. That was piloted and modules were drafted in 2013/14 in response to the requirement of the Government to do something to address this issue.

Madam Speaker, in the 2013/14 year the Ministry also developed a pastoral support programme. Again, this was a programme that I called for to deal with not just an education related issue, but the employment related concerns which we have heard on a number of occasions here today. The fact is the pastoral support programme was piloted in the last academic year in a number of our schools and it actually continues this year in those same schools. And, where resources will permit, Madam Speaker, we look to roll them out in additional schools if possible.

Madam Speaker, you have heard me speak of that pastoral support programme on a number of occasions. But it is important to state once again that the purpose of that programme was to create employment opportunities for Caymanians. Only Caymanians who have been identified through the National Workforce Development Agency are eligible to be considered pastoral support workers. Those persons have been given training and they help our students, some of the more at risk students, to engage in learning and access the educational opportunities in ways that they were not able to do before because of the lack of resources in the school.

So, Madam Speaker, this is a programme that deals with both educational opportunities and employment opportunities for our people and helps to target those students who are considered most at risk, who are at risk of falling foul of the law or getting into criminal activity. These workers help to ensure that they stay engaged in the curriculum and that they work with their parents and work with the administration to try and help these students make the most of their educational experience.

Madam Speaker, in the last academic year, 2013/14, the Government, through the Ministry of Education, has also implemented a policy for students who are pregnant or parenting. Again, the idea of ensuring that our (in most cases) young women who may have found themselves pregnant or parenting while in school have the opportunity to access the educational opportunities and that the curriculum is not taken away as a result. Regardless of people's particular personal views or opinions on the situation, we do have teenage pregnancy. And as a country we need to accept that reality and deal with that in a way that

we do not disenfranchise our young women and, therefore, those children that they are by and large tasked to rear. We have implemented a policy to ensure that people who are pregnant or parenting can still continue with their education in an appropriate manner, again, with the hope of ensuring that we try to prevent some of the predisposing factors to criminality where people are growing up in households that lack formal education and, therefore, lack proper employment opportunities as well.

Madam Speaker, during the 2013/14 year there was a review of the Government Behaviour Management System. I spoke on this quite extensively throughout the course of the year. That was as a result of the concerns that I identified. Upon taking over as Minister of Education I had grave concerns about what was actually taking place with the Government Behaviour Management System that we had in place. That review led to a restructure of the support services and some recommendations to implement a more robust tiered approach to dealing with behaviour management system in our schools.

Madam Speaker, this academic year, as a result of that review, we are in the process of restructuring the primary inclusion specialist and to improve support to schools. The Ministry has been leading a team on establishing an improved process and deployment and the governance of inclusion specialists. Madam Speaker, we have a number of specialists in our system who are tasked with the responsibility to help to address the issues of our students at risk and those who are not only at risk, but who may be getting involved in criminal activity. And it was important that we looked at how those specialists were deployed and how they were managed and what accountability mechanisms were in place. So, as a result of the review, it was necessary to restructure the primary inclusion specialist process as well as look at the secondary in short order.

Madam Speaker, this year, having piloted the Cayman Safe Management and Risk Reduction Training (C-SMART training) this year we are actually looking to develop additional trainers to work with the schools to deliver the first two modules of this programme. This, again, is a multi-faceted approach because not only is it looking at targeting this Safe Management and Risk Reduction within the school setting, it is also an opportunity for succession planning for Caymanians, because a big part of this programme is to look at which Caymanians in our system are available to be trained in order to deliver this training, in turn, to the various schools. So, the succession planning for Caymanians is to lead to these training of various professionals, various educators, to help to de-escalate certain situations before they become a major crisis and to promote the safe practices as it relates to behaviour management.

Madam Speaker, I am also happy to report to this House that starting January or February of next

year, the Government will be convening an inter-ministerial working group to improve facilities and education provision for children charged or sentenced with criminal offences. This working group will be led by the Ministry of Community Affairs and they are expected to do an analysis and plan the provision for the group of young people who fall into this category, those who have been charged or sentenced with criminal offences. Again, Madam Speaker, as a Government, we recognise that this group of young people, although they may be in the justice system now, if we do not continue to provide opportunities for them to get an adequate education, their life of crime may just continue to escalate. So, this is one of the intervention strategies that I spoke about that we, as a Government, are looking to make sure that we focus on in tandem with accepting this Motion as it relates to increasing penalties on the back end.

Madam Speaker, the Ministry of Education is also conducting training with community partners to implement what is called 'Stop Now and Plan'. This is an evidence based approach which deals with parents, as well as children on teaching them how to use different strategies to manage anger and strong emotion. Again, the issue of conflict resolution is not intuitive to all people. The idea that we cannot act on every impulse that we experience or every motion that we experience, is something that for many people, for many families, for many communities even, this is the kind of training that needs to happen in order to prevent future incidents of crime. The Ministry realises that focusing on this preventative based approach starting within the primary school age, is where there could be the greatest bang for buck in the medium to long term.

During this academic year the Ministry is rolling out the establishment of school based behaviour and discipline committees in all schools to have an oversight for school improvement in the areas of discipline and student behaviour. Again, the intention is to support the schools using data as early indicators and to take action to support the students. The approach that we need to take is to look at the facts, at what is actually happening. And looking at the historical data as well as current data with respect to the incidents happening in the schools, and developing an approach to each school so that each school has its own oversight for school improvement as it relates to discipline and student behaviour, is an important strategy to try to identify where the focus needs to be and continue to be for the 2015/16 coming year. There are a number of other strategies planned for that year but at this stage I just wanted to highlight what exactly is being done as it relates to the prevention and intervention of crime or the crime reduction strategy specifically from the perspective of the Ministry of Education.

Madam Speaker, as I said, it is imperative that we as a Government have a solutions focused ap-

proach. And, Madam Speaker, as the Minister responsible for Education, it is my obligation to continue to advocate for our children and to continue to ensure that we as a Government not just talk about, but also implement the prevention and the intervention strategies, and to not just focus on the punitive aspects of crime deterrence. As a Member of this Government, I am happy to support this Motion. But, Madam Speaker, I certainly will not be content until we continue to address the prevention and intervention aspects and ensure that when we look to allocate resources with respect to crime reduction and prevention, it is done in a way where we can get the greatest [return on our investment].

So, Madam Speaker, that is my contribution. I thought it was important because I know the Fifth Elected Member [for George Town] in his opening remarks commented on the need to have such intervention. I just wanted this honourable House to note, as well as the public to note, that I, as Minister, and this Government, take that responsibility seriously and we have already started to do just that with the formal adoption of conflict resolution training and crime reduction strategy based within our public education sector. I look forward to hearing about other initiatives happening in the other ministries as well. Thank you.

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

I recognise the Second Elected Member for George Town.

**Mr. Roy M. McTaggart, Second Elected Member for George Town:** Thank you, Madam Speaker.

I shall be brief, recognising that I stand between most Members and dinner tonight. But I feel it necessary to make at least some contribution to the debate here this afternoon with regard to this Private Member's Motion.

Madam Speaker, I would like to begin by congratulating the Fifth Elected Member for George Town for bringing this Motion, and to say how proud I am to have been asked to second the Motion. The Member spoke with eloquence. He spoke with passion. He spoke with zeal. And he debated this Motion in a very comprehensive and thorough way, leaving no one in any doubt as to where he stood with regard to the issue at hand, and I commend him. I commend him for all that he had to say because, Madam Speaker, there is very little substance that anyone could add to this debate in support of it.

Madam Speaker, my comments will be just to elucidate on a couple of matters that were mentioned in the course of the debate and in contribution by Members in this honourable House to the debate on the Motion.

Madam Speaker, it was touched on briefly, but for the sake of total clarity, I want to remind Members and the general public at large listening in, that

although the title may be somewhat misleading in that the title talks about Enhanced Penalty for Crimes Committed in Tourism and Financial Services Sectors, the resolution section of this Private Member's Motion speaks particularly too of the residential, in addition to the tourism and financial services industries. So, in effect, it covers all aspects of Caymanian life and the Caymanian community, and is not just limited in its scope.

In fairness, I think a lot of the impetus for this Private Member's Motion has come out of the big change that we have seen take place in the Caymanian society over the last couple of years. Madam Speaker, I have been party to many debates and discussions amongst friends, colleagues, everyone, with regard to the increasing level of crime and the seriousness of it; in many ways sometimes, just the utter brazenness of the criminal element in our society who have no fear of the rule of law, who have no fear or concern for those in positions of authority, such as the police, and have no care or concern for the citizens of this country.

We have seen and have talked about the increase in crime, the spread of it, and the seriousness of it. A few short months ago we were talking about the fact that it will not be long before we actually start to see crimes against and being committed in the tourism sector. God help us when we get to that point. But that is where we are now today, Madam Speaker. The criminal element in our society is starting to target these facilities in our midst and is really threatening the wellbeing of our industry, threatening the wellbeing of our citizens and, Madam Speaker, this Private Member's Motion asks this House and this Government to act.

Madam Speaker, the intent, as this Motion states, is not to fetter in any way the discretion of our courts. Rather, it is to impress upon them and send the right message that our citizens are starting to feel unsafe. They want stronger actions, not just from our police, but from our courts. God knows what we have taking place right now is not working. It is not a deterrent any longer. And criminals do not fear the courts. They do not fear the sentences. They do not fear or have respect for the rule of law.

The Member made it quite clear that this is not a cure all. And clearly it is not. This is but one piece of the puzzle. There is much more that can and should be done, Madam Speaker. But, the fact that we do not have the cure all does not mean that this House and this Government should not act. On the contrary; I think we should demonstrate to this country that we are prepared to take the leadership, and that we are prepared to send the right messages and it is our decision and our desire to do what is right for this country.

Madam Speaker, what we are asking the Government to do here today is consider these things. It is the one area in this whole puzzle, in this cog in

the wheel, where, as legislators, the 18 Members in this House can do something about it. And we should do something about it.

As the Member for East End so ably stated, it is and we are the end of the line. But that just should not allow us to stop and not be the first of the line and through the finish line as well. We need to do our part. We need to be seen to be doing our part, and taking the leadership position, demonstrating to the people of this country that we are capable and that we are willing to respond to their concerns and to the things that affect them in their lives.

Madam Speaker, one Member talked about the cost of such action being taken on the part of Government, and there is no question that if we follow through with this and we increase the sentences, even doubling them, it will have a cost. It will have a very direct cost. The criminals, persons convicted of crime will, in all likelihood be spending a longer time behind bars. And it will cost us more directly in hard dollars. But, Madam Speaker, one thing we have not talked about is the cost to this country of not acting. I would venture a guess to say that it would far exceed what this will cost us nominally in terms of lost business, a decline in tourism, a decline in financial services activity for people who no longer feel safe in visiting our shores and coming here to vacation and enjoy themselves. Madam Speaker, the cost would be far greater!

Finally, Madam Speaker, I listened with keen interest to the comments of the introducer of the Motion with regard to the meeting he attended in Prospect a couple of weeks ago on a Sunday afternoon. The way I felt about the comments he received about the people in this country starting to lose hope, Madam Speaker, it disturbs me. It really just tears at my heart to hear those kinds of statements; that people feel so frustrated they feel so down-beaten that they start to lose hope. Madam Speaker, this legislature cannot let people lose hope. When they lose hope, we have lost everything. I think as a Government and as legislators we need to act and be seen to be acting and responding to the feedback and the wishes of our people.

So, as I wind up my debate, Madam Speaker, I commend this Motion to this whole House. By all accounts it would appear as if we will have unanimous support in acceptance of the Motion. I look forward to that time as we wrap up the debate this evening. Thank you, Madam Speaker.

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

If not, I will call on the Fifth Elected Member for George Town to see if he wishes to exercise his right of reply.

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

To use the words ably put earlier in this session, as Henry the VIII said to his wives, I shall be brief.

*[Inaudible interjections and laughter]*

**Hon. Osbourne V. Bodden:** I shall not keep you long.

**Mr. Winston C. Connolly, Jr.:** I shall not keep you long.

Madam Speaker, I thank the First Elected Member for West Bay for his comments and intention to raise that this was not a complete solution to the issues that we face. I thought that I had elaborated on that in my lead up. I thank him for highlighting those things, because it was not my intent to say that only tourism and financial services sectors are important. And I stressed that in my Motion itself, and in my contribution to the debate.

Madam Speaker, what I try to do is to raise in every resident of these Islands the disproportionate effect, a negative effect, that any break in those two pillars, because of crime and those activities, will bear on us for generations to come. Once we lose it that is it. It is going somewhere else. So let us try to be cognisant and focused on the fact that these two pillars are paramount to our existence as we knew it. And there are those that are old enough, even in this room, but especially when I am talking to members of the public in George Town and all around these Islands who remember where we came from. I am not saying that they could not survive if we went back there. But the alternative, as we know, is that you would not be able to even be in Cayman to make any money, so you would have to do what our forefathers did and go off and find sources of revenue to send back to Cayman. That is how important that focus on those two pillars is, Madam Speaker.

For those people who think that they are doing this in isolation, that, *Oh, I am just robbing Burger King, or, I am just robbing a place on Seven Mile Beach*, it has to be pounded home to them that this affects each and every citizen in this country. And more so because of what those two industries do, it spills over to the residential side of our communities because if people are not working in those two main industries, there is not a lot that they can do otherwise. If people's homes and residences are being broken into while they are trying to go out and work, this is also going to have a negative effect on the enjoyment and their property values and just the areas in Cayman that are going to become socioeconomically deprived because of these crimes.

So that was my intent, Madam Speaker, in going through this Motion. And it is only one small portion of what we need to do in terms of tackling crime. And I spoke about the Yolande Forde report. I spoke

about the need to come up with a comprehensive crime strategy that allows pastors, schools, homes and families, parents, government, the judiciary, the police, all these people have to come together because it is too imperative that we not continue the status quo and act in silos and not listen to the people of this country.

Like the Second Elected Member for George Town said, I hear the sadness, the desperation, the fear and the anger in our people because they feel that no one is doing anything to stop crime in their neighbourhoods. I will just give an example, Madam Speaker. Again, I really did not intend for this to become an issue about policing, et cetera, but it was raised at the meeting. They said there was one police officer who patrols from Victory Avenue all the way up to Spotts/Newlands. He might go through their neighbourhood once every couple of days or weeks. And in between people are being robbed, people are being harassed, people are being subjected to these mental and physical anguishes of crime. So again, I raised the police to say that we need to put more resources, but they need to be more accountable. That was my point there, Madam Speaker.

The Second Elected Member for George Town also spoke about costs. I think like the Member for East End talked about the cost of not doing things, and as did the Deputy Premier, the First Elected Member for Cayman Brac and Little Cayman, and also the Second Elected Member for West Bay. We have to weigh these costs. We have to see and come up with that overall strategy and go after it, because if we do not spend the time and the money now we are going to be paying for it for generations to come. And I do not want that cost on my conscience.

Madam Speaker, I would like to specifically mention the acceptance of my Motion by the other Members of Government that I am happy and proud to be called a member of. Even though we are a coalition Government, I think what this Motion also represents is that collaborative, sometimes compromising relationship that we have, where we can have debates but I can still have my voice in this honourable House, even though I am a part of the Government. I say that because there are a lot of people out there who are both from these Islands and from outside these Islands that do not seem to understand that. They think that if you are part of this Government, coalition or otherwise, that you cannot have your own identity.

As I offered one such member of the public recently, I am more than happy to give him a lesson, however elementary, on how Government works in these Islands. I hope this goes some way to addressing some of those concerns, that you can have your own voice being a member of a coalition Government.

Madam Speaker, I thank the First Elected Member for Cayman Brac and Little Cayman for accepting this Motion which was put by me and seconded by the Second Elected Member for George Town. I

also thank all the Members of this House who spoke on the Motion, and those who gave me their tacit support before we even debated it. Madam Speaker, this goes beyond party lines. We all campaigned on crime. We all campaigned on zero tolerance. In 1998 when they were doing the Vision 2008, they campaigned on zero tolerance. Let us stop talking; let us start doing, because that is what is expected of us. That is the day job.

Madam Speaker, these are not comprehensive solutions. We are not even in our limited time here—and I even say that to those who have been here for 30 years, because time is limited. We have to always be cognisant of our how actions today affect those coming tomorrow. Good decisions will make long-term benefits to these Islands. Bad decisions will handcuff future Governments and our economy. It is as simple as that. We need to sit down, come together when we can, come up with comprehensive solutions and move the country forward.

Madam Speaker, just to reiterate some of the issues that I raised, and I promise I will not go into them in detail, but just to kind of highlight the fact that this is not only about me bringing this and saying that as soon as we implement stiffer jail sentences, et cetera, we are going to cure crime, right? We talked about improving the monitoring of crime, improving the police and the judiciary and the community involvement and enhancements; promotion of equity, education, public services, housing was brought up today.

Madam Speaker, these represent the need for a comprehensive strategy with all hands on deck. No longer can we say that it is not our problem. No longer can we say that it is only in the bad areas in town, and you know how those people are, and that's it. This affects every single Caymanian, whether we like to accept it or not. It is here, it is growing, and we need to stem it.

Madam Speaker, I spoke about the good people of Prospect. But by no means did I mean it was only them speaking. Everywhere we go we hear it. We hear it on the talk shows, we hear it on the streets, we hear it in the barrooms, we hear it at churches. Every single time we leave our homes we hear the affect that crime has on our people. Let us forget about the economy. Let us think about the psyche of our people. When people are more stressed than ever just by getting out of bed, and you add crime to that, Madam Speaker, we have to do our part.

Madam Speaker, I will apologise if my attempt to focus on a zero tolerance to crime and highlight some of the economic and other reasons why we need to focus on those two pillars of the economy, if that was taken on board as somewhat one dimensional or not thinking about wider solutions, I absolutely . . . and you heard from the members of Government what they are doing in their ministries to address

some of those things. And I have been an active and vocal part in caucus in private representations, et cetera.

This Government gets it. We all want to do the best thing possible for our people. And I am talking about in Government now as well, inclusive of all 18 Members of this House. Unless we were being very disingenuous on the campaign trail, everybody said that crime is one of the priorities in this administration and this term. I think it has been echoed by the contributions we heard from the First Elected Member for West Bay and the Member for East End.

Madam Speaker, by no means am I suggesting that we get to the communist type approach that Cuba has adopted, especially when it comes to the tourist sector. But we need to look at why they thought it sacred that if you touch a tourist, woe be unto you, because they get it. They get how important tourism is to their economy. So we have a bit more going for us than they do at this stage. But we only need to look at them. We only need to look at Jamaica. We only need to look at the rest of the Caribbean to realise that sometimes you can have it, but you will not have it all the time, especially if you hasten it by increasing crime and being that weak on the consequences.

Madam Speaker, as a House with passionate people on all sides, with people who want to do the right thing, I want to commend this Motion again for their consideration. We will have the moments now and in the future where we will not always agree on all the steps forward, but I hope that in the big picture items, the things that we campaigned strongly on that was across the board, that we will be able to state those differences, that we will be able to at times be accept those differences from either side, and continue to work together in putting Cayman first in all that we do in our Government duties as Members of this Legislative Assembly, but always remembering that we are representatives of the people and their will must be carried out.

Madam Speaker, I would implore all those listening, especially the arms of government that have raised, the population, the churches, the parents, everyone in earshot, to understand where we are in this point of our history. We are at the edge of the cliff looking down. We can either choose to take matters into our hands and come together as a country, or we can bury our heads and fall off the cliff when that wave comes, because the wave is coming if we do not address it. I implore them to look at that report. It is an eight-year old report. It should not be sitting on a shelf. I am not saying that it is the answer, but it is something that we as a country paid for and we should at least address and say why we will take things on and not take things on.

Like other Members have said tonight, this is a contribution that we can make right here without all the other external bodies coming together. This is us throwing down the gauntlet saying that we are going

to do our part, now you do yours. Madam Speaker, each and every person in our society has to focus on his or her role. We are all in this together. Each person needs to endeavor to do their part so that we can all ensure that no one is left behind in this economic miracle that is the Cayman Islands, but also this country where we have a number of different nationalities co-existing in one place. Let us not lose sight of what is special in the Cayman Islands. It is worth fighting for. We can be a beacon of light for the rest of the Caribbean and the rest of the world if we only choose to act.

Madam Speaker, I look forward to the day when we can say we have this comprehensive crime strategy, and that we have people that are moving in the same direction on all sides, all corners of these three Islands. This Motion is only one small part of that process, Madam Speaker. I think that it echoes the sentiments of the people who have spoken to me over the last year and a half. That is why I brought it today. It is my interpretation of their voice. It is me putting in writing and vocalising the things they have said to me. People are tired, they are angry, they want hope. But most of all, Madam Speaker, they want action. This is my contribution to that process.

Thank you, Madam Speaker.

**The Speaker:** The question is: BE IT RESOLVED that the Legislative Assembly considers whether the sentencing laws and guidelines of the Cayman Islands should be amended to expressly provide that crimes committed on these shores and particularly in residential, tourism and financial services sectors, attract double penalties and such actions be taken to change our laws to reflect the wishes of the members of our community to deter criminal activity on all three islands and adopt a zero tolerance position on such criminal activity.

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

**Ayes.**

**The Speaker:** The Ayes have it.

**Agreed: Private Member's Motion No. 12/2014-15 – Enhanced Penalty for Crimes passed.**

**The Speaker:** I recognise the Honourable Premier.

#### **DEFERRAL OF BUSINESS/PRIVATE MEMBERS' MOTIONS**

**The Premier, Hon. Alden McLaughlin:** Madam Speaker, we have completed all the business on the Order Paper, save for three motions which stand in the name of the Elected Member for North Side, who is not present. Madam Speaker, I am proposing that those motions be put over for the next Meeting of this

Honourable House and that we conclude the business of this Meeting now and, indeed, conclude the business of the Legislative Assembly for this calendar year.

## ADJOURNMENT

**The Premier, Hon. Alden McLaughlin:** I move the adjournment of this honourable House sine die.

**The Speaker:** Thank you, Honourable Premier. For the record I just wish to indicate also that the Member for North Side did indicate that as chairman of the North Side PTA he had to attend an important meeting with the PTA, and did ask the Member for East End to take charge of the matters.

I am getting a nod of the head that going over to the next Meeting is satisfactory.

Member for East End?

**Mr. V. Arden McLean:** Yes, Madam Speaker, the Member asked me to move the motion, but if the Premier has done it, that is satisfactory.

**The Speaker:** Thank you.

I did get a request from the Third Elected Member for West Bay to raise a matter under Standing Order 11(6), and I have granted permission for that. I would just like to add that the Honourable Premier, subsequent to that, did give a response. So I am minded to ask whether that was satisfactory, or whether you wish to read your short inquiry to the Premier nonetheless.

Okay, please proceed.

## RAISING OF MATTERS

### PUBLIC MATTER FOR WHICH THE GOVERNMENT HAS RESPONSIBILITY

*[Standing Order 11(6)]*

### COMMISSIONER OF POLICE

**Mr. Bernie A. Bush:** Madam Speaker, after extensive consultation with my constituents, some colleagues in the Legislature, civil groups and many former local and foreign policemen, and in light of the downward spiral of policing in our beloved Cayman Islands with crime rising unbelievably fast, and a catalogue of perceived errors by the United Kingdom recruited Commissioner of Police; it is the opinion of many, and I agree 100 per cent with them, that this Commissioner of Police's position in this country is no longer tenable.

I was also seeking a response from the Honourable Premier, as to whether the Government is satisfied with the performance of the Commissioner of Police, but seeing that the Premier did say that he would be meeting with the Governor, Madam Speaker, we will then wait until that moment. Thank you.

**The Speaker:** Thank you, honourable Member.

The question is that the House be now adjourned sine die.

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

**Ayes.**

**The Speaker:** The Ayes have it.

**At 7:12 pm the House stood adjourned sine die.**