



**CAYMAN ISLANDS
LEGISLATIVE ASSEMBLY**

**OFFICIAL HANSARD REPORT
ELECTRONIC VERSION**

2014/15 SESSION

17 April 2015

*Third Sitting of the Fifth Meeting
(pages 858-892)*

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

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PRESENT WERE:

SPEAKER

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

MINISTERS OF THE CABINET

Hon Alden McLaughlin, MBE, JP, MLA	<i>The Premier</i> , Minister of Home Affairs, Health and Culture
Hon Moses I Kirkconnell, JP, MLA	<i>Deputy Premier</i> , Minister of District Administration, Tourism and Transport
Hon D Kurt Tibbetts, OBE, JP, MLA	Minister of Planning, Lands, Agriculture, Housing and Infrastructure
Hon Marco S Archer, JP, MLA	Minister of Finance and Economic Development
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 Franz I Manderson Cert. Hon., JP	Deputy Governor, ex officio Member responsible for the Civil Service
Hon Samuel W Bulgin, QC, JP	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

Hon Osbourne V Bodden, JP, MLA	Minister of Community Affairs, Youth and Sports
Capt A Eugene Ebanks, JP, MLA	Fourth Elected Member for West Bay

OFFICIAL HANSARD REPORT
FIFTH MEETING 2014/15 SESSION
FRIDAY
17 APRIL 2015
10:12 AM
Third Sitting

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

The Speaker: Good morning. I will call on the Honourable Premier to grace us with prayers.

PRAYERS

The Premier, Hon. Alden McLaughlin: 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.*

And, dear Lord, save us from ourselves.

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.

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

APOLOGIES

The Speaker: I have received apologies from the Fourth Elected Member for West Bay, and apologies from the Honourable Minister of Financial Services, Commerce and Environment for late arrival this morning.

**PRESENTATION OF PAPERS
AND OF REPORTS**

**GOVERNMENT OF THE CAYMAN ISLANDS -
PORTFOLIO OF LEGAL AFFAIRS FINANCIAL
STATEMENTS 30 JUNE 2014**

The Speaker: I recognise the Honourable Attorney General.

The Attorney General, Hon. Samuel W. Bulgin: Thank you, Madam Speaker, and good morning.

I seek leave of the House to lay on the Table the Financial Statements for the Portfolio of Legal Affairs, for the period ending 30 June 2014.

The Speaker: So ordered.

Would the Honourable Attorney General wish to speak on his report?

The Attorney General, Hon. Samuel W. Bulgin: No, Madam Speaker. The report itself is straightforward and I commend it to Members of this House and the wider public. Thank you.

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

**QUESTION 21: NAVASOTA ENERGY
AGREEMENT WITH GOVERNMENT**

The Speaker: Elected Member for East End

Mr. V. Arden McLean, Member for East End: Question 21 is directed to the Minister responsible for Infrastructure: Can the Honourable Minister say, what is the status of the Agreement between Navasota Energy and the Government?

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

Hon. D. Kurt Tibbetts, Minister of Planning, Lands, Agriculture, Housing and Infrastructure: Thank you, Madam Speaker. In order to answer this question, allow me to provide this honourable house an update of the Government's Agreement with Navasota Energy

The Agreement which the Member refers to in his question is the proposed Fuel Terminal and Transfer Project. The proposed project would involve the construction and operation of a fuel loading and unloading facility (that is, a transfer terminal) and a new storage facility for product to be consumed locally.

Members will be aware that the Navasota Group is conducting research regarding the construction and development of the site. The research is required for developing the Statement of Qualifications and subsequently the Request for Proposal (RFP).

The research includes ensuring that environmental concerns for both land and marine construction meet or exceed internationally accepted environmental standards.

The Group has held meetings and responded to numerous communications from interested entities. These interested entities are both local and overseas.

Madam Speaker, the Group first approached Government about the project, and the Government has agreed for them to pursue the possibilities at no cost to Government. For this project to become a reality, all stakeholders will have to be consulted, all concerns satisfactorily met, and consensus gained. Only then will the Government pursue it further.

SUPPLEMENTARIES

The Speaker: Elected Member for East End.

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

Can the Minister tell us if the RFQ [Request for Qualification] has been issued?

The Speaker: Honourable Minister of Infrastructure.

Hon. D. Kurt Tibbetts: No, Madam Speaker. The request for qualification has not been issued. Nothing like that has been done. That would only be with the Government's permission. He may have prepared it, but it is not sent out to people.

The Speaker: Elected Member for East End.

Hon. W. McKeeva Bush, Leader of the Opposition: You're sure?

Hon. D. Kurt Tibbetts: Well, if he did that, he did it on his own.

[Inaudible interjection]

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

Paper work, paper work!

Madam Speaker, I have in my possession . . . received from Navasota a timeline—

The Speaker: Member, do you have a copy for the Chair—please?

Mr. V. Arden McLean: No, Madam Speaker, but I am sure you can get a copy of this.

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

The Speaker: Member for East End, will you give way to the Leader of the Opposition?

Hon. W. McKeeva Bush, Leader of the Opposition: If the Member reads it, then, the House needs to get it. I certainly would want a copy.

The Speaker: Member, we can do this one of two ways: you can go ahead and read it and then give it to the Serjeant for copies if Members wish to have it, in particular, the Minister of Planning, while you are reading it—

Hon. D. Kurt Tibbetts: I know what he is talking about.

The Speaker: Okay.

The Serjeant can make copies for circulation afterwards. So please proceed.

Mr. V. Arden McLean: Madam Speaker, they can get all of this, if they want a copy.

This says, "RFP timeline, recommended request for proposal RFP process. Step one: request for qualification phase—place announcement for RFP processing industry publication April 1, 2015," which has subsequently passed. [UNVERIFIED QUOTE]

The Speaker: Honourable Minister of Infrastructure.

Hon. D. Kurt Tibbetts: Madam Speaker, that was from a document which I was happy to pass out to the Member for North Side and the Member for East End, and that was a proposal from Navasota, but nothing like that has occurred. That was what they would have liked to have seen happen, but the Government has not given them any agreement with regard to proceeding any further with the matter and I am fairly confident that nothing like that has been done. That was simply a proposal on their part for a timeline.

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

Mr. D. Ezzard Miller, Member for North Side: Madam Speaker, now that the timeline as they proposed

has not been accepted by Government, is there any possibility that Navasota might have taken my advice, my pleading, and asked them to fold up the folder and not continue with the project?

The Speaker: Honourable Minister of Infrastructure.

Hon. D. Kurt Tibbetts: Madam Speaker, I cannot tell the Member that that has been the case. I know that there were several questions raised and they sent a box with all kinds of information. One is in my office. I have not had a chance to peruse it yet. But where it stands now is after the last meeting, and they took all of those concerns, they have now sent back and we will see where we go from there.

Madam Speaker, let me just make it clear, as I did in the answer. This is not one of these situations where the Government is just going to plough head-long into making anything happen. Looking at it, we see the possibility of some benefits to the country and its people. But we understand that it is a very technical exercise to get completed and we also understand that the country will have to have buy-in to the project, because we certainly do not wish to do anything that the country does not want.

So, any timeline that they may have had, they understand quite clearly now the hurdles that have to be overcome before the Government will sit and consider. And we will simply see where it goes from where it is now. It is not something that the Government is dropping everything else it is doing. The Government has a million other things to do and if it happens it happens, if it does not, well, that will just be that it will not.

The Speaker: Elected Member for East End.

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

In light of the substantive answer given, where the Minister says in the penultimate sentence, **“For the project to become a reality, all stakeholders will have to be consulted, concerns satisfactorily met, and consensus gained.”** Can the Minister give us a timeline for that since there is no timeline for the issuing of RFQ or RFP?

The Speaker: Honourable Minister of Infrastructure.

Hon. D. Kurt Tibbetts: Madam Speaker, I am not trying to evade answering the Member, but as I just said, the Government has many, many other things which are absolutely important to get done and I am not stopping anything in my Ministry to get that done. It is impossible for me to give him a timeline on that.

If we get to that point, and when we get to that point (I just do not know when), I am not going to stop all the other things that I am able to do just to try to get this done. If this happens along the way, then fine. But I cannot give you a timeline on that.

[Inaudible interjection]

The Speaker: Honourable Member for East End.

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

They say we do not want any development on the eastern end. If it is good, we will welcome it; if it is bad, no.

Madam Speaker, I wonder if the Minister could assist us by tabling the agreement that they have with Navasota. We requested that at Finance Committee last year and to this date it has not been forthcoming.

The Speaker: Honourable Minister of Infrastructure.

Hon. D. Kurt Tibbetts: Madam Speaker, I do not have a copy of that here with me, but I can give the undertaking that I will get it sent to every Member of this House forthwith. Not a problem.

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

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

Can the Minister say what benefits there are for the country that the Government sees coming from that project?

The Speaker: Honourable Minister of Infrastructure.

Hon. D. Kurt Tibbetts: Madam Speaker, when we were first approached by the Navasota Group, in our initial discussions with the Group, that was exactly the first question asked—Why should we look at this?

It is estimated . . . and let us bear in mind, Madam Speaker, that any answer I give now is not something that I have empirical evidence for, but it is information that has been given to us by the Group. So, as we move further, if we move further, whatever we need to get verified, we will do so.

We have been told that it is a fair assumption that fuel prices in the country could go down by 20 per cent. That is in their minds, according to them, conservative. They have also said to us that there could be continuous stream of Government revenue from the transfers, because what they are looking at now is all refined product. In other words, the storage would be for refined product, product that is refined already, ready to sell, ready to use. On the transfer side of it they are conservatively (in their minds) estimating perhaps \$15 million a year income for the Government.

In discussions and meetings with the Member for North Side and the Member for East End, those figures have been questioned. So, I am not here to say which is correct. But that is what we have been told thus far. And that would be based on a royalty.

Madam Speaker, what they would wish to see happen, if this thing becomes a reality, would be that the lower priced fuel could be sold directly to CUC, for instance, that would then, at a lower rate of getting fuel, certainly have a very positive effect on what we pay for our light bill. And it would also introduce immediately, once the Government has agreed and if it were to happen, create more competition in the country for the supply of diesel and gasoline to the two bulk distributors that exist now. And perhaps, while I cannot guarantee that, the thought is at the end of the day that this could well mean that those entities would participate in the project so as not to get left out of the whole thing and maybe what exists in South Sound would eventually no longer exist because the one facility would deal with the whole thing.

Those are thoughts, Madam Speaker. Nothing is concrete. There are some other benefits which . . . because with what they have said, and with what the Government thinks, if it were to go any further, we would have to sit down and go through all the various scenarios to see which direction we would like to see the end result happen. We have not concretised all of those thoughts yet, because I have said to the Nava-sota people, *Listen, with whatever research you are doing, no matter what happens we have to make sure that . . .* because the best location that they have discovered is in the district of East End because of the proximity of deep water to the shore and a less populated area that they can find.

Now, that is their suggestion. But I want to make it absolutely clear that the Government has given no commitment or anything of that sort. But those are the kinds of things that we would be looking at. I am not saying that what I have said is exhaustive. But those are the thoughts that come immediately to mind with regard to the benefits that may be derived.

The Speaker: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush, Leader of the Opposition: Thank you, Madam Speaker. I thank the Minister for that answer.

In the fourth paragraph to the answer, it says, **“The research includes ensuring that environmental concerns for both land and marine construction meet or exceed international accepted environmental standards.”** Can I ask the Minister whether the current sites are meeting those standards, that’s (a); and if East End turns out not to be an acceptable site to the stakeholders, then, are there alternative sites that the Government would consider? And if I can ask, a third part of that is: What kind of employment, in terms of numbers, were they envisaging this project would bring?

The Speaker: Honourable Minister of Infrastructure.

Hon. D. Kurt Tibbetts: Thank you.

Madam Speaker, let me say first of all that I have already told these people that while what they have concentrated around from a discussion standpoint, location-wise, they might have considered the best, I have already said to them that they need to be looking for other alternatives first of all, to see if there are any possibilities (I do not know if they are) that would make practical sense.

Hon. W. McKeeva Bush, Leader of the Opposition: You all didn’t look? You all are not considering?

Hon. D. Kurt Tibbetts: No. No, we are not . . . we wait for it . . . you see, they know . . . they have the technical expertise. So they would know locations that would make sense. So the Government itself is not considering any location. The locations currently existing with the two bulk distributors are continually monitored by the Petroleum Inspectorate and assessments are made. In fact, they are, right now having to do some maintenance on the existing facilities. So, we will just have to see where we go. If there is any other location found which is suitable, I do not know.

With regard to employment, if memory serves me right, what they have said is that depending on the size of the storage facility, which they estimate would be somewhere between four and seven million barrels capacity with a four or five time turnover per year, that very likely steady employment would be for about 50 Caymanians and they would guarantee all the training that is necessary to ensure that Caymanians are brought up to speed. That is what we have been told.

[Inaudible interjections]

The Speaker: If there are no further supplementaries . . .

Member for East End, I will allow two more supplementaries.

[Inaudible interjections]

The Speaker: Member for East End, please proceed.

Mr. V. Arden McLean: Madam Speaker, I guess those two will have to suffice. I would like to have plenty more but—

Madam Speaker, the Minister said it is about the two oil companies that are currently here participating in the project of the storage for the country’s use. That was not my understanding. My understanding was that we were looking for a third vendor to participate in this and there was no requirement for those two to move out from South Sound, which, initially the thoughts were that they were unsafe. Can the Minister say if my understanding of that is correct?

The Speaker: Honourable Minister.

Hon. D. Kurt Tibbetts: Madam Speaker, some of my thoughts expressed, are what I would like to see happen. What the Member has just asked . . . I am not saying that if we were to get to the point of an RFP that part of that would have to include the two facilities in South Sound moving. What I am saying is that I would hope that if we got to that point that those companies would see the sense in when the facility is created up there in creating their facilities on the same site. It does not have to be that they are the people who are the ones operating the new venture, is what I am saying, because from a business standpoint they might all have other ideas. The Government, ideally, would very much like, because of what obtains presently in the South Sound area, to get those facilities that exist there now to eventually be moved. I am not saying that can happen overnight.

So, when the Member is saying that what he initially understood, in that this whole thing was about getting them to move, that is part of my thoughts. How it is to play out, if it were to become a reality, is something that we would have to sit down and work out. But I do not know all of those answers yet, because I do not know what the disposition is of these two entities that operate in Cayman now with regard to that. Certainly, they would not be excluded from being able to bid on an RFQ if it got to that point, because as I understand it, there have been some 15 or 16 entities who have contacted these people showing an interest, not because of any document they have sent out, but only because of what has been reported in the papers. That is my understanding.

The Speaker: Elected Member for East End.

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

I am glad that the Minister said that again about the amount of people who have contacted them. I would invite him to really look into that box that was sent to us because there is some interesting correspondence from at least one of those entities, such as, **“We are fully aware that the Government (Cabinet and the Premier) is, to say the least, tentative to take on the Members from East End and North Side in a debate . . .”**

[Laughter]

The Speaker: Member for East End, sorry for the interruption, but as usual custom, I . . .

Mr. D. Ezzard Miller: Oh, we are going to table it.

Mr. V. Arden McLean: Oh, we're going to table that.

The Speaker: I just wanted to make sure, with you being a stickler for procedure that you know that I gave the indulgence through implication.

Mr. V. Arden McLean: Yes, Madam Speaker, that is why I am bringing it in now, so I can table it to be a public document.

[Inaudible interjection]

Mr. V. Arden McLean: Oh, it is? You'll get it. Don't worry.

“ . . . to say the least, tentative to take on the Members from East End and North Side in a debate on whether this is a viable project for the country or not.

“You may be aware that we have begun to address that issue ourselves. Currently there has been an action committee formed in the district of East End to address any concerns that the residents of that district have. They will have a significant influence on what or what will not happen depending on where our two groups stand. We are very certain that the Navasota does not have that level of influence, nor does the current Government.”

Let me read another piece.

[Inaudible interjections]

Mr. V. Arden McLean: This is the special one, since you want a special.

“If we can package this in one bundle then Navasota will bring this to the Government and argue the case that this project does not have to go out to tender. At that point we will secure a single bid process for the RFP.”

I wonder if the Minister can tell us if anything of that nature has happened and what will Government's response be to that?

The Speaker: Member for East End, the Serjeant is awaiting the document to photocopy for Members. Thank you.

You are formally laying it on the Table, Member for East End? (Just for clarity.)

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

The Speaker: So ordered.

[Laid on the Table of the Legislative Assembly an email dated 10th December 2014 from Chris Pope to Dan Hudson]

The Speaker: Honourable Minister, would you wish some time to see the document before you respond?

Hon. D. Kurt Tibbetts: Yes, Madam Speaker, I would just like to see the document, because I can assure the Member that I have not seen anything of that nature yet, neither have we had any discussions.

The Speaker: The House will then suspend for five minutes. I will ask all Members to stay in their seats while we get copies done as expeditiously as possible.

Proceedings suspended at 10:43 am

Proceedings resumed at 10:48 am

QUESTIONS TO HONOURABLE MINISTERS AND MEMBERS OF THE CABINET

The Speaker: The House is now resumed.

I recognise the Honourable Minister for Infrastructure.

QUESTION 21: NAVASOTA ENERGY AGREEMENT WITH GOVERNMENT

SUPPLEMENTARIES

[Continuation thereof]

Hon. D. Kurt Tibbetts: Madam Speaker, with your permission I want to read this letter from this good gentleman, because I would want to take this opportunity this morning since it has been brought to my attention, to give him a message publicly, if you do not mind.

The Speaker: Please proceed, and you are a veteran politician, so I am sure you will keep within the ambit.

Hon. D. Kurt Tibbetts: Let me read this email.

It is okay, Madam Speaker. I won't cause you any distress. This email is from Chris Pope to Dan Hudson. Now, Dan Hudson is the representative from the Navasota Group who we have been dealing with (the Government, that is), who brought the project to Government. Chris Pope addresses himself at the end of this as ABS International Ltd. I do not know any more than that. I know who this gentleman is.

“Good afternoon Dan, Quite disappointed to learn that you have no desire to informally meet with anyone from our group.

“From what has been explained to me, it seems that there is a widening divide between our two groups, but seemingly remains a common goal. Not least, perhaps our fortitude has been underestimated.

“We understand that you are playing your cards close to your chest and for what reason we are unsure, since we have made it quite clear from our initial meeting that we are keen to work with you and have the wherewithal to rally support for the project which, it is clear, that the Government of the day are not as keen to pursue.”

By the way, the date of this email is Wednesday, December 10, last.

“We are fully aware that the Government, (Cabinet and the Premier), are, to say the least, tentative to take on the Members from East End and North Side in a debate on whether this is a viable project for the country or not.”

Let me just pause there for a minute to say, Madam Speaker, and the two Members can verify this, that from the beginning when I learned where they were looking to put this project if it were to become a reality, I spoke to them and I have also had meetings (that is, with the Members for North Side and East End) about the matter simply because they are also representatives, and I believe that everybody has to have their part of it if consensus is to be gained or not. So, to continue:

“You may be aware that we have begun to address that issue ourselves. Currently, there has been an action committee formed in the district of East End . . .” (this is what the Member for East End is talking about) **“. . . to address any concerns that the residents of that district have. They will have a significant influence on what or what will not happen depending on where our two groups stand. We are very certain that Navasota does not have that level of influence and, nor does the current Government.**

“You have stated on more than one occasion that if this project does not get done, then you don't get paid. . .” (and this is what we told them: If you bring something to us, if it can happen, it can happen; but the Government don't have any money to put up front, not knowing what is going to happen) **“. . . but it appears that you are putting your faith in our current Government to push forward with the project. They have, of course, missed numerous deadlines as you are aware.**

“Our question is: What is the real issue? To suggest that the Government wants to take this slowly is confusing. The only elements of the project that they need to be involved in . . .” (This one is kind of curious. I think that is what you lawyers say). I want to repeat that: **“To suggest that that the Government wants to take this slowly is confusing. The only elements of the project that they need to be involved in is a simple amendment to the current free trade agreement and a lease contract for Crown land, both of which can be dealt with very quickly.**

“Since Government is NOT going to, either financially back, or finance this project, then, why is Government that involved in the progress, or lack thereof?

“If this is a case of Navasota not wanting our Group involved in this project whatsoever, then please advise, and if that is the case, then we will press on ourselves as a private project and simply lobby through our relationships with the

community for the Government to concede to public pressure to get this project done now, rather than sometime in the future. However, if this is a course we are forced to take, this will be entirely our project.

We are still looking forward to open dialogue and working with yourself and Navasota and would at least appreciate a response to this email.”

[Inaudible interjection]

Hon. D. Kurt Tibbetts: Madam Speaker, from this email, and I think I understand correctly, that this is in the pile that I have not had a chance to look at yet. Okay. So I would have seen this in any case, but I have not seen it before.

Obviously, the Navasota Group have put all of this together and sent it to the Members of East End and North Side and one to my office. I guess they just want to be totally open with what they are doing, which is fine. So, that does not really taint the relationship with them.

But this here, Madam Speaker, this . . . because sometimes when I look at myself in the mirror I realise that it is quite easy for people to think that I am a big idiot. I know that. But, Madam Speaker, when I read this, I realise why. I know this good gentleman. And this good gentleman came with another gentleman to see me, and they spoke to me about this thing. I said to them that we have been talking with the Navasota Group and that they were the ones pressing on with it. And I explained the relationship with Government and the Navasota Group and I said to them, *Deal with the Navasota Group, the Government is not involved in this part of the whole project. It is when we get to the point when something makes sense that the Government will look at it.*

But this said guy here is saying in this letter that he has the wherewithal to do all kinds of things, most of all, in my mind, is to cause the Government to bend to pressure. Now he has us on the one side saying that we are cautious and not pushing it forward as fast as they would like, because, obviously, they want . . . I do not quite get it, but I will get it when I see everything, meaning I do not quite understand exactly what type of relationship they are trying to establish. But the other part of it, Madam Speaker, when they say about a single-source supply without an RFQ and an open bid process, I take umbrage to that.

The message I want to send to him, every Member in this House, including my colleagues and the rest of the country, and whoever is far away enough to hear it, is that this structure will never—has never and will never—participate in anything that is not above-board and up front.

The other thing that my Premier and my Deputy Premier to my left and my colleagues to my right

or behind me and my friends are over on the other side now (because sometimes we are friends)—

[Inaudible interjection]

Hon. D. Kurt Tibbetts: You see this man here? This man here in this email, I can tell you, that neither one of them will direct me to deal with him. It will not happen. I am finished. It does not mean that because of this all is done with the project. We will see where we end up, Madam Speaker. But this, for this Jonny-come-lately, because in my view that is what he is. I am 61 and every year that I had I spent it good and I can remember all about it.

[Inaudible interjection]

Hon. D. Kurt Tibbetts: Yes.

This one that I read from the email, Madam Speaker, this Chris Pope, I am not trying to use parliamentary privilege because anything I say this morning I can tell him to his face. The mere fact that this is how he comes to my country and adopts my country and expects to do business in my country, he won't do business with me.

[Desk thumping]

Mr. V. Arden McLean: Madam Speaker, if I may, I just want to—

The Speaker: Member for East End.

Mr. V. Arden McLean: I will just share with . . . we're still good friends; that's why I did it.

The Speaker: Member for East End, formulate into a question please.

Mr. V. Arden McLean: I would also like to share with the Minister the objectives of the committee in East End that he set out, which is a secret document but please lay it there for me.

The Speaker: So ordered.

[Laid on the Table of the Legislative Assembly a copy of documents attached to the email dated 10th December 2014 from Chris Pope to Dan Hudson.]

The Speaker: While that document is being tabled, Member for East End, were you going to continue on that document, or are you giving way to the Leader of the Opposition?

[Inaudible interjection]

The Speaker: I recognise the Leader of the Opposition while the document is being copied for Members.

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

I heard the Minister's answer to these very outlandish emails. Is the Minister saying that—

The Speaker: Leader of the Opposition, sorry for the interruption. Just on a point of clarity. I took it that the Member for East End was requesting to lay that on the Table, as opposed to just showing it to the Minister of [Infrastructure]. There is a question?

Mr. V. Arden McLean: Yes, Madam Speaker. So that it can be made . . . so the other Members, but it is for the benefit of my good friend the Minister of [Infrastructure] but so that all Members . . . lay it on the table—yes, Ma'am.

The Speaker: So ordered.

Thank you for your indulgence Leader of the Opposition. Please continue.

Hon. W. McKeeva Bush, Leader of the Opposition: I was asking the Minister, now that he has made his statement in relation to these outlandish emails, is he saying that Government is cutting short of dealing with these people on this project? If it is not the entire project, is it, in particular this person who has written this email?

The Speaker: Honourable Minister.

Hon. D. Kurt Tibbetts: Right. That is what I was saying, Madam Speaker. I am okay now. I have said what I had to say. The email is from an individual representing a company. That is what I was trying to make very clear. What I am saying has nothing to do with the proposed project. However that ends up, it still ends up, if it can get consensus and go forward.

I am not saying that we should not have this project. I am saying that this particular situation and the scenario the individual outlined in the email is what I am saying I would not participate in and he will have no use of me as the Minister responsible.

Hon. W. McKeeva Bush, Leader of the Opposition: You're not dealing with him?

Hon. D. Kurt Tibbetts: No sir.

Madam Speaker, let me say it one more time: The Navasota Group who came to Government about this project, what I just spoke to in that email has nothing to do with that group. So, whatever goes down in the future, if consensus can be gained and if there is a way to make it happen, the Government would still entertain that once all stakeholders involved are spoken to. But this particular individual who is seemingly trying to muscle in on the whole thing trying to get a situation where they would have control of the project

will not have any dealings with the Government about it.

The other thing I want to say, Madam Speaker, which I did not say, was where he speaks about public pressure and bowing to them if they did it on their own; I have news for him.

The Speaker: I recognise the Leader of the Opposition.

Hon. W. McKeeva Bush, Leader of the Opposition: Thank you, Madam Speaker. I will forego that question.

The Speaker: Madam Clerk, we will move on to the next item of business.

STATEMENTS BY HONOURABLE MEMBERS AND MINISTERS OF THE CABINET

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

INFRASTRUCTURE WORKS

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker, for allowing me to just issue this statement this morning. This is simply a statement bringing everyone up to date with the infrastructure works that have been taking place and some that are intended to take place.

I want to provide this honourable House and the listening public an update to my Ministry's infrastructure projects that have already started to come to fruition. For some time now, the Premier and the rest of us in Government have been publicising the various plans that we have been developing, and promising of better things to come.

Today, Madam Speaker, we can really start to see good evidence of these works across the Island, from West Bay to North Side. No district has been left out. Let me back up for a minute, Madam Speaker, and note that on an annual basis we allocate funds and address district roads that are in need of repair. The NRA [National Roads Authority], whose responsibility it is to undertake such works, provides the Ministry with an extensive list of these roads. Using a fairly sophisticated computer programme, roads are ranked by condition; for example, safety, potholes, the condition of the surface, shoulders, et cetera, and then each of these roads are given what is called a Pavement Condition Index (PCI) rating. The lower the rating, the poorer condition the road is in.

The Ministry and the Authority then consult with elected representatives to prioritise these works in line with available allocations, after which the list is finalised and the NRA can then action that list.

We have found this to work quite well and although it does not remove all subjectivity from the process, it certainly adds a level of objectivity that is welcomed by the public who have wondered why their road has never been addressed.

Before I go any further, Madam Speaker, let me say, this is an ongoing process, so there are still roads out there that are in need of repair, but have not been addressed as yet. But I want to say today on behalf of the Premier and the Government that we know of them, and we are going to fix them. Bit by bit, we are going to address roads in every district.

Madam Speaker, my view is that this is not about politics; this is about taking the available financial resources that are available and spending them wisely.

Madam Speaker, I have shed some light on the process, so now let me expand a little on the projects. Starting in East End, and working with my learned colleague across the aisle, we have addressed six roads, including the Sunny Field Extension through to Reef Point (that is, Fosters), High Rock Drive, Farm Road, and Winters Land Road. While the quantity was not as high as other districts, these road works were significant to the district and some of the costs were fairly significant.

In North Side, the road to Rum Point was in really bad shape, and for the past couple of years the NRA has been slowly working on it piece by piece. The drive to one of Cayman's most popular spots must have been much more pleasant this Easter as the team worked feverously to finish the last 2500 feet of it before the Easter break. This was the strategy I spoke of earlier, Madam Speaker, because, had we fixed the entire length at one time, we would have used up all the funding on just that section of road. Instead, with careful planning, we were also able to complete 15 other roads in the district. Later this month, we also plan to go back and address the junction at Rum Point and then that will complete the road works in that area for the time being.

In Bodden Town, we saw the need to address Anton Bodden Drive, which had a PCI rating of 50. This road was in need of repair for some time now, and my colleagues from Bodden Town insisted that we address it this year. So, again we had a strategy that allowed spending monies on this, while also addressing 14 other roads that were necessary in Bodden Town. Now, residents of the area can travel on a well-built road for many years to come.

Yes, Madam Speaker, we may not have been able to do as many roads as we would have liked to, but this accomplishment paves the way for us to address many more roads in the new fiscal year starting in July.

In West Bay, we have completed 13 district roads, and have a number of others scheduled for work over the next coming months, including the Birch Tree Hill Road from Reverend Blackman to the Ed

Bush Stadium, a road, Madam Speaker, that the representatives there have continually said has been neglected. So we intend to do work on those roads.

In George Town, Madam Speaker, we have completed some 27 roads, including the Canal Point Road, off the West Bay Road, which leads to a number of popular establishments, such as the Foster's Supermarket at the Strand, and also some other restaurants in that area. This was a road that the public desperately wanted fixed, and we continually got complaints about. But I have to say, Madam Speaker, it wasn't easy. It required a lot of, what is called, accommodation works, including sidewalks, drains and raising the road to minimise flooding. I want to commend the NRA for a job well done. That road is perhaps the last of the significant ones that have been completed and it looks and feels great,

Madam Speaker, I'm sure the public will have seen the works on Godfrey Nixon Way that have now commenced. This is one of the larger projects that the Government has been planning for the past year in an effort to improve traffic in and out of George Town. When it is completed by month's end, it will have three lanes—two directional and a centre lane for turning into the numerous businesses along there. This should lead to a much smoother traffic flow.

Madam Speaker, we are planning similar work on Smith Road that will be taken on and started just as Godfrey Nixon is wrapping up. We all know how important Smith Road is for traffic to and from schools, businesses and let's not forget the doctors' offices and the hospitals, and how congested it can become at peak times during the day. The design considers a much more efficient drop-off and pickup for the Prep school near to the stop light (because that also causes a lot of problems there at certain times in the afternoon and in the mornings); a turning lane to reduce congestion, and revised junctions at either end. The intersection with Anthony Drive and Melrose Lane (by Pasadora Place) will also become a key junction, as this will be the new link from Humber Lane that will connect Elgin Avenue to Smith Road (that is, Humber Lane being almost directly opposite the Government Administration Building). So that will make a connection from Smith Road to Elgin Avenue and make life easier.

This leads to greater interconnectivity, and/or cross-flow of traffic. In other words, Madam Speaker, persons will not have to drive the entire length of one road or the other to cross over. For example, Madam Speaker, if you are on Elgin Avenue and going to Windsor Park or Pasadora Place, you can just zip across Humber and you're there. Just as importantly, Madam Speaker, ambulances will have better movement to and from the hospital, leading to possible reduction in response time.

That Humber Lane, Madam Speaker, which may be thought of as not very important, when completed its importance will easily be recognised be-

cause the four-way stop at Hospital Road and Smith Road is forever a waiting period and is always difficult when ambulances are moving out or trying to get back in

Madam Speaker, we are also working with the many establishments now that are located on Sparky's Drive, in a private/public partnership that will lead to resurfacing that road with a much more durable layer of asphalt, given the types of vehicles that predominantly use it. I want to take this opportunity, Madam Speaker, to publicly thank the businesses in that area that have so willingly contributed to this effort, and at the same time to call on the others that, quite frankly, Madam Speaker, have been slow to respond to Government's proposal.

Ironically, Madam Speaker, it appears that the ones that cause the most damage are the same ones that are reluctant to contribute.

Having the first section of this road repaired to a more durable standard could only be advantageous to all concerned. Madam Speaker, in the same vicinity, we have also begun work on Red Gate Road, upgrading it and connecting it through to the corner of the existing Owen Roberts Drive, just behind the rental car depot. This opens up more area for development. And just for those who may not be 100 per cent sure of where I am speaking of, we are talking about the Red Gate Road that goes up past the Water Authority, past MRCU going through Breezy Castle and then we are extending it going straight out, so that when you come out at the end of that road you are looking at the airport and can go straight into the airport entrance. So, this opens up a lot more area for development and also provides another link for the Water Authority to supply the area with potable water. It gives tour operators, tourists and locals another avenue to and from the airport, and should cut down on some of the congestion in and about Industrial Park, leading to a more pleasant first and last experience for the tourist visiting our shores.

Those who travel eastward will also have seen some work being carried out on Shamrock Road in the vicinity of Red Bay Primary and in the Spotts area where some remedial works are being done. The next steps will be safer realignment of the Chrissie Tomlinson Roundabout and the other roundabout near to the Lighthouse School. This work surrounds the safety of the road users,

Madam Speaker, it is Government's intention to revise the Traffic Regulations (2012) with an amendment of speed zones around the island. Again Madam Speaker, we have consulted with colleagues in this Legislative Assembly, along with the public, and carefully considered their opinions, and anticipate the new speeds to take effect early next month. So, we are only days away from that happening and the signs being put up. There will be adequate PR done so the public can be made aware very swiftly of the changes.

I want to mention in particular, Madam Speaker, West Bay Road, from Kentucky Fried Chicken north to the Public Beach, where the Traffic Management Panel has recommended reducing the speed limit to 30MPH. That will be done. But we have bigger plans for West Bay Road as well. Many people have experienced the new Pedestrian Crosswalks on the West Bay Road, and we plan to put more in along that route. In fact, Madam Speaker, we had placed the order in February and had just received the equipment for an additional light and crosswalk in the vicinity of the Marriott Hotel, when the unfortunate incident occurred recently involving a pedestrian crossing the road.

I want to pause for a minute Madam Speaker, and wish God's Blessings on the young man that was injured in the accident. On behalf of us all, I wish for him a full and speedy recovery.

Madam Speaker, it will not just stop with pedestrian crossings however. Government, through its technocrats in the Ministry and NRA, is looking at ways of improving safety along this route by preventing the middle lane from being used as an overtaking lane, which has been brought to our attention, and we have witnessed ourselves on many occasions that this is what happens. We want to get it to the point where that middle lane is used for its intended purpose, that is, for a turning lane. This will enhance the safety of pedestrians, while making the drive more pleasant for the motorists. Those who are in a hurry can use the Esterley Tibbetts Highway where we have two lanes on either side.

Madam Speaker, in closing I wish to recognise the employees of government and its agencies for the diligent work they are doing on these infrastructure projects throughout the Island. Once again I dare say we are raising the bar in Cayman that will make our roads safer, more pleasant to drive, and we believe this will further encourage more sustainable development.

Thank you, Madam Speaker.

Mr. V. Arden McLean: Madam . . .

The Speaker: Member for East End

Mr. V. Arden McLean: I was seeking permission under Standing Order 30(2) to ask the Minister a couple of short questions.

The Speaker: As per your request, I will allow two short questions.

SHORT QUESTIONS

[Standing Order 30(2)]

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

Question number 1 is, I see on page 5 where the Minister says that he is calling on others who,

quite frankly, are the ones who cause the most damage on the roads, to contribute to the development that he is on. I am wondering if he can tell us . . . when I was there we were embarking on a fee—

Hon. D. Kurt Tibbetts: An assessment—

Mr. V. Arden McLean: No, an assessment . . . we were looking at charging heavy equipment additional money to facilitate us repairing roads because they are the ones that do the most damage on the road. I am wondering if that has been continued or if we are looking at that.

The Speaker: Honourable Minister.

Hon. D. Kurt Tibbetts: Madam Speaker, to be very honest with you, I do not want to misinform the Member for East End, please allow me to give you an undertaking that I will find out.

[Inaudible interjection]

Hon. D. Kurt Tibbetts: I understand. I just do not know where it is at because that would have to probably take place, in thinking about it, at the licensing stage. But I am not so sure what presently obtains, so, I will determine and let you know, sir.

The Speaker: Elected Member for East End.

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

Before I ask the next question, let me say to the Minister I welcome the update, especially on the West Bay Road. And whatever I can do to assist I will make myself available to him, if he so chooses to ask me for my advice.

[Inaudible interjections]

Mr. V. Arden McLean: Madam Speaker, my question to the Minister is about the equipment in Cayman Brac, the pavers, the trucks and now, I believe, they have a batching plant there as well. Has the Minister or the Government considered bringing that back to facilitate all this paving to try and reduce the cost to the Government, because I am convinced that that equipment will reduce cost overall?

The Speaker: Honourable Minister.

Hon. D. Kurt Tibbetts: Madam Speaker, in answer to the Member's question, I think that at present the road works in Cayman Brac are not completed as of now. The prior decision to have the equipment over there to continue their road works has not been rescinded or changed.

With the Member's thought about having that equipment brought over here, that is the actual paving

equipment, I have spoken to the managing director of the Roads Authority and there are some pieces of equipment they have ordered. I am not sure which ones they are, but they are not, at this point in time, extremely keen to get up to the point where they are actually doing paving. What they have said to me is that if they are just physically doing the paving and not doing the entire part of the job, which is preparing the material to be used and everything else, that the savings are not a tremendous amount. So the board has to be considering whether to get to the point where NRA wants to get back fully into the paving business or not.

There are constraints with that because they have

[Inaudible interjection]

Hon. D. Kurt Tibbetts: We understand all of that. This discussion that I am just mentioning, Madam Speaker, surrounds the fact that I have expressed concern about only having one, single private sector supplier of that. You cannot blame the supplier. It just so happens that who was there is no longer there. But in any case, the NRA is looking to see whether they want to get into the business anymore, because in truth and in fact, the equipment in the Brac is not what determines whether or not it happens. I know that that is there. But what I am saying is that that is not the major reason why you would make the decision one way or the other.

One of the difficulties is that we are pressed at this point in time to hold fast on numbers in the public service. I think the NRA is down by 40-odd or 50-odd in numbers from where they were four or five years ago, and there is no great desire on anyone's part to begin to increase those numbers, given the fact that we are being told that we need to be looking at seeing how best we can hive off what is sensible into the private sector so that the public sector is not with any more numbers than we have now. I hope that satisfies the Member.

The Speaker: First Elected Member for Bodden Town.

Hon. Anthony S. Eden, First Elected Member for Bodden Town: Under Standing Order 30(2), just a brief question and comment: It is good news to hear from the Minister what is happening and what will happen. This is an observation and maybe he can address it.

As I travelled east, through Bodden Town, Pease Bay, Frank Sound, on the right hand side of the road where some repairs have been done, I assume by request of the Water Authority, to me it is not up to standard. It would be nice if the powers that be could see that they deal with these, especially in the rainy season. Thank you.

The Speaker: Honourable Minister.

Hon. D. Kurt Tibbetts: Madam Speaker, just before I answer my good friend's question, allow me to say something I forgot in what I was saying earlier on. I would very much crave the public's indulgence while all of these roadworks are happening, especially in the busy areas, like Godfrey Nixon and soon Smith Road and other areas. We have had discussions and the NRA is acutely aware of when the busy times are and we are trying to do as much work on the weekends and outside of the busy times as possible. But there are some works that will occur and may cause some inconvenience. But we are asking motorists and the general public to have a little bit of patience with us. Once we can get through it, then, it will be much better for all.

Back to the question: The Water Authority and the NRA are both subjects of mine. Just so that the Member will know, we continually have discussions on matters relating to the question that he asked. In particular with this one, I give my undertaking to the Member that I will follow it up to ensure what has to be done is done properly.

The Speaker: We will now move on to the next statement by the Deputy Governor.

Thank you for your indulgence, Deputy Governor.

JUSTICE OF THE PEACE REGULATIONS

The Deputy Governor, Hon. Franz I. Manderson: Good morning, Madam Speaker.

I would like to take this opportunity to provide an update to this Honourable House on the coming into effect of the Justice of the Peace Regulations.

Members will be aware that the Summary Jurisdiction Law was amended last year to allow for regulations to be made by Cabinet. Madam Speaker, I am very pleased to advise that Cabinet has now approved regulations to govern the appointment and conduct of Justices of the Peace. These regulations will come into effect on the 1st of May 2015.

Madam Speaker, with your permission I would like to table a copy of the approved regulations, for the benefit of Members.

The Speaker: So ordered.

The Deputy Governor, Hon. Franz I. Manderson: Thank you.

Madam Speaker, just briefly to highlight some of the key components of the regulations:

- a more formalised appointment process has been established;
- a requirement for ongoing training has been introduced;

- there will now be a complaints process in cases where the public is not satisfied with the services provided by a Justice of the Peace;
- a Code of Conduct has been established, and;
- a requirement for proper recordkeeping has been mandated.

Madam Speaker, in preparation for the coming into effect of these regulations our law enforcement agencies have issued standardised documentation to ensure consistency of approach when applying for search warrants.

Madam Speaker, these regulations will enhance and formalise the good work that is being done by our Justices of the Peace who serve our community with integrity and distinction.

In closing, I would like to thank the Chief Justice, the Justice of the Peace Association, Judicial Administration and all Justices of the Peace whose hard work contributed to the development of these regulations.

I would also like to thank the Seafarers Association for providing a venue for the training free of charge. Thank you, Ma'am.

GOVERNMENT BUSINESS

BILLS

THIRD READINGS

PROCEEDS OF CRIME (AMENDMENT) BILL, 2015

The Clerk: The Proceeds of Crime (Amendment) Bill, 2015.

The Speaker: I recognise the Honourable Minister of Financial Services, Commerce and Environment to move that the Bill be read a third time.

Hon. G. Wayne Panton, Minister of Financial Services, Commerce and Environment: Madam Speaker, thank you. I move that a Bill shortly entitled the Proceeds of Crime (Amendment) Bill, 2015, be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled Proceeds of Crime (Amendment) Bill, 2015, be given a third reading and passed.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Proceeds of Crime (Amendment) Bill, 2015, given a third reading and passed.

INTERNATIONAL INTERESTS IN MOBILE EQUIPMENT (CAPE TOWN CONVENTION) BILL, 2015

The Clerk: The International Interests in Mobile Equipment (Cape Town Convention) Bill, 2015.

The Speaker: Honourable Minister of Financial Services, Commerce and Environment.

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

I move that a Bill shortly entitled the International Interests in Mobile Equipment (Cape Town Convention) Bill, 2015, be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled the International Interests in Mobile Equipment (Cape Town Convention) Bill, 2015, be given a third reading and passed.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The International Interests in Mobile Equipment (Cape Town Convention) Bill, 2015, given a third reading and passed.

BILLS OF SALE (AMENDMENT) BILL, 2015

The Clerk: The Bills of Sale (Amendment) Bill, 2015.

The Speaker: Honourable Minister of Financial Services, Commerce and Environment.

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

I move that a Bill shortly entitled The Bills of Sale (Amendment) Bill, 2015, be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Bills of Sale (Amendment) Bill, 2015, be given a third reading and passed.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Bills of Sale (Amendment) Bill, 2015 given a third reading and passed.

CIVIL AVIATION AUTHORITY (AMENDMENT) BILL, 2015

The Clerk: The Civil Aviation Authority (Amendment) Bill, 2015.

The Speaker: Honourable Minister of Financial Services, Commerce and Environment.

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

I move that a Bill shortly entitled the Civil Aviation Authority (Amendment) Bill, 2015, be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled the Civil Aviation Authority (Amendment) Bill, 2015, be given a third reading and passed.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Civil Aviation Authority (Amendment) Bill, 2015, given a third reading and passed.

DIRECTORS REGISTRATION AND LICENSING (AMENDMENT) BILL, 2015

The Clerk: The Directors Registration and Licensing (Amendment) Bill, 2015.

The Speaker: Honourable Minister of Financial Services, Commerce and Environment.

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

I move that a Bill shortly entitled The Directors Registration and Licensing (Amendment) Bill, 2015, be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Directors Registration and Licensing (Amendment) Bill, 2015, be given a third reading and passed.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Directors Registration and Licensing (Amendment) Bill, 2015, given a third reading and passed.

IMMIGRATION (AMENDMENT) BILL, 2015

The Clerk: The Immigration (Amendment) Bill, 2015.

The Speaker: Honourable Premier.

The Premier, Hon. Alden McLaughlin: I move that a Bill shortly entitled The Immigration (Amendment) Bill, 2015, be given a third reading and passed.

The Speaker: The question is that a Bill shortly entitled The Immigration (Amendment) Bill, 2015, be given a third reading and passed.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Immigration (Amendment) Bill, 2015, given a third reading and passed.

CORONERS (AMENDMENT) BILL, 2015

The Clerk: The Coroners (Amendment) Bill, 2015.

The Speaker: Honourable Attorney General.

The Attorney General, Hon. Samuel W. Bulgin: I beg to move that a Bill shortly entitled The Coroners (Amendment) Bill, 2015, be given a third reading and passed.

The Speaker: The question is that the Coroners (Amendment) Bill, 2015, be given a third reading and passed.

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

AYES.

The Speaker: The Ayes have it.

Agreed: The Coroners (Amendment) Bill, 2015, given a third reading and passed.

MOTIONS**GOVERNMENT MOTIONS**

**Government Motion No. 5/2014-15
Amendment to the Development Plan 1997—
Proposed Rezoning: East End, Block 73A Parcel
102 - Registered to Morritt Properties
(Cayman) Ltd.**

The Speaker: Honourable Minister of Planning.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker.

I beg to move Government Motion No. 5/2014-15, entitled, Amendment to the Development Plan 1997—Proposed Rezoning: East End, Block 73A, Parcel 102.

The Speaker: The Motion has been duly moved and is open for debate. Does the Honourable Minister wish to speak thereto?

Hon. D. Kurt Tibbetts: Madam Speaker, yes, and with your permission I would like to read the Motion first and then I will speak to it.

The Speaker: Please proceed.

Hon. D. Kurt Tibbetts: The Motion reads: “**WHEREAS on 28th September 2011 the Central Planning Authority considered an application for the rezoning of Registration Section East End, Block 73A Parcel 102 from Low Density Residential to Hotel / Tourism (CPA/20/11, Item 4.2);**

“**AND WHEREAS the Central Planning Authority resolved to adjourn consideration of the application pending a Planning Department review of the zoning needs of the area;**

“**AND WHEREAS after the preparation of a neighbourhood plan by the Department the Central Planning Agency reviewed the application on 15th February 2012 (CPA/04/12, Item 4.1) and recommended extension of the Hotel/Tourism zone to encompass additional lands, namely Block 73A Parcels 20 (part) 22, 23, 25 and 65. It was resolved to forward the application with the extended Hotel/Tourism designation for the 60 days notification and advertising, per Section 11(2) in the Development and Planning Law (2011 Revision);**

“**AND WHEREAS the proposed amendment was duly advertised in the Cayman Compass on the 19th, 21st, 27th, and 30th March 2012 respectively, with the general public invited to view the application at the Planning Department for comment. During the comment period no letters of objection or representation were received on the proposed amendments;**

“**AND WHEREAS on 4th July 2012 the Central Planning Authority again reviewed the application in light of the public consultation process and it was resolved (CPA/15/12, Item 4.1) to forward the proposed amendment to the Ministry of Planning with the recommendation that the proposed amendment be forwarded via Cabinet, to the Legislative Assembly for debate;**

“**AND WHEREAS on 11th November 2014 Cabinet duly approved that the rezoning application for Block 73A Parcel 102 be referred on to the Legislative Assembly for consideration;**

“**BE IT NOW THEREFORE RESOLVED THAT in accordance in Section 10(2)(b) of the De-**

velopment and Planning Law (2011 Revision), the Central Planning Authority hereby recommends and submits to the Legislative Assembly the following proposal for alteration to the Development Plan 1997, a summary and map of which are attached hereto;

“AND BE IT FURTHER RESOLVED THAT, Registration Section East End, Block 73A Parcel 102 be rezoned from Low Density Residential to Hotel/Tourism.”

So, Madam Speaker, that is the Motion.

You will note, Madam Speaker, that the original recommendation from the CPA included four other parcels. This recommendation to the Legislative Assembly is only for the original application, and I will quickly go through the process and explain why that is the case.

Block 73A, parcel 102, comprises a parcel of land registered to Morritt Properties (Cayman) Ltd., extending to a size of 4.54 acres. The parcel is already partially developed, including a terrace of shops and a restaurant, car park and tennis court. The parcel is located on the inland side of the Queen's Highway, opposite Castaway Coves, and is presently zoned low density residential. In 2011, the landowner applied to the CPA for the subject parcel of land to be rezoned from low density residential to hotel/tourism. The CPA met on 28 September and they resolved (as I said in the Motion) to adjourn consideration pending a review of the zoning needs of the area.

Subsequently, the department prepared a neighbourhood plan that recommended a more extensive inland area which included that parcel plus other adjoining parcels. So, at the end of the day, their recommendation was to include parcels 22, 23, 25 and 65.

When it came to the Ministry, and the Ministry prepared the paper for Cabinet, Madam Speaker, the Ministry's recommendation to Cabinet was that we move ahead with the original application and the Ministry has absolutely no problem with the other parcels being rezoned, but we referred it back to the CPA for the respective landowners to first be invited to pay the appropriate rezone application fee.

Madam Speaker, it is simply a matter of process, in my view. And this recommendation has originally been my recommendation with a view to attempting to be with a level playing field straight across the board. So, all that these other landowners have been asked to do is pay their application fee, at which time we will do the process of those together. The one at hand now is the one where the original application had taken place.

Madam Speaker, in some . . . well, I should not say in some, I should say this process, had it been followed the way it was recommended by the CPA, would have been completed and I do believe that some of the landowners may not even have known that the rezone was taking place, depending on who

they were, and how much attention they paid to the advertisements. But, by now, the Planning Department would have received instructions and I suspect they will have contacted the individuals to let them know that all of the agencies involved, and the Cabinet, are quite happy to move the process forward for them to allow the rezoning to take place. The truth is, Madam Speaker, regardless of who owns those properties, rezoning from low density residential (LDR) to hotel/tourism, is certainly going to multiply times over the value of the property, potentially. Depending on where the area is it might happen very swiftly, or it may not. But the rezoning itself certainly enhances the value of the property.

Madam Speaker, when it comes to rezoning, unless there is an all-out review of the Development Plan, you are going to find these applications coming in from time to time. I am not suggesting for a minute, and the Department understands that well (I am sure they have passed it on to the Central Planning Authority), that these look-sees should not take place in an effort to try to not be so ad hoc in the approach. But I think from the beginning when an approach of that nature takes place, the landowners need to be contacted and invited to pay their application fee so that the process can move forward. This has nothing to do with who owns these specific parcels; this is just a general view that the Ministry has and the Cabinet has agreed with the recommendation.

So, Madam Speaker, I trust that Members see fit to approve.

The Speaker: Does any other Member wish to speak?

I recognise the Member for East End.

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

I would beg your indulgence for a brief contribution to this Motion.

I hear the Minister. And I believe he already knows basically what my position is on these things. The introduction of a Planning Law in this country in 1977 required us to do periodical reviews, that is, once every five years, to update that which would facilitate rezoning and the likes.

Madam Speaker, we have failed miserably in our responsibilities in that regard. I think the last one was some 10 years ago, or more, without any implementation. So, what happens now is that we piece-meal these things. Upon application by proprietors for their own benefit, increased density and the likes, and the possibility of development to additional capacities, we approve their application.

Now, in most instances, Madam Speaker, it is developers who either see the potential of a development or expansion of their development. The review I spoke of every five years would have been extremely beneficial to the country based on the direction we could see each area going into, and we would get in-

put from the public as to what they want, for instance, right in my constituency, our neighbourhood/commercial is less than half of a percent of the land mass in East End. And it is right there along the water front, which certainly needs to be expanded. I recall when we did the review, it is over 10 years, I believe, that that was one of the major requests, that we extend our neighbourhood/commercial areas that much more, which I said did not happen.

Now, whenever these things are done in a piecemeal manner in which we do them (and I do not mean that to be derogatory) . . . we saw one at Beach Bay recently to facilitate that development there. I do not have too much problem with them in that manner, but here is where I have a concern. People come here and purchase these properties at residential rates from realtors. They then request us to “piecemeal” a rezone and quadruple, maybe 10 times, the value, like the Minister just spoke of. And it enhances their borrowing ability because the Government has now moved their assets from here to 10 times its value. So they can borrow money on it because their assets are much more.

Hon. D. Kurt Tibbetts: The value of their assets has increased.

Mr. V. Arden McLean: The value of their assets has increased significantly. But in the meantime we leave the adjoining land, which is owned by Caymanians, as residential.

When the time comes to expand by those same people who had that one rezoned, they buy it at the residential value (LDR we call it, low density residential) and then they come back and need another rezoning of that one and the Caymanians are less as a result and because we as a Government gave that person the right to have theirs done.

So, if you paid \$100 for that piece of property, it is now worth \$1,000. But the Caymanian adjoining it is still only worth \$100. And then you buy that for \$102 and get it rezoned by Government and it has gone to \$1,000. So, my concern is the lack of extending that along there for the surrounding properties to be rezoned at the same time.

Madam Speaker, we saw Beach Bay which I thought we would have gone straight to Manse Road. Some of Manse Road is already tourism related zoning. But went and joined that up. And in this instance now we are talking about the most scenic aspect of the Queen’s Highway, which is west of [Morritt] Tortuga Club, where it is the highest point overlooking the sea, which would be an ideal location to have hotel/tourism zoning, which is owned by Caymanians, all East Enders, as far as I know (maybe a couple of people other than East Enders own there). And yes, I am going to look out for them. That is my job.

So, Madam Speaker, the Minister says and the rationale says that the Government is proposing

that those people make their application and pay their application fee, which is nominal; is it not? Now, Madam Speaker, therein lie the concerns that I have.

I can tell you in this instance that there was a recent purchase of the adjoining property. What I am saying is that there is absolutely no need for us to ask those Caymanians to do it. Notify them and say we are going to do it, and here is the value of us doing it, because the people are now using a lot of that land now for gazing of their cattle right on the bluff there. It is one part of the properties. Out at the front they cannot raise cattle because it is 20 feet high, or thereabout, from sea level, but the back part of it is [not]. But that is not to stop them from doing that because it is rezoned to hotel/tourism. The same thing they can do now, they can go and build their homes as well.

What I am asking is that they share in the same appreciated value of whoever wants to do theirs because it is unfair for us as a Government to sit . . . and I know that the Minister says he is not opposed to those other lots getting—

Mr. D. Kurt Tibbetts: We’ve told them we want to do it.

Mr. V. Arden McLean: But the fact that we are asking them to make an application to pay a nominal fee for rezoning . . . I do not know if that is the direction we should go in in the interest of two more pennies into the coffers when it is about enhancing the lives of people, those proprietors who have children and . . . and when you enhance, whether it is 1 person or 10 people or 10 persons or the whole population, the actions of a Government enhance the lives of those people, then you are rewarded, because you are only rewarding them for the confidence they have placed in you at the polls, because that is what it is about. It is about people electing us for the enhancement of their lives. And my good friend, the Minister, knows the three words that I attach to that—tangibility, measurability and visibility.

So I do not know why we do not engage in extending it to the others so that people do not come in because they see this other piece. Not necessarily the same developer, but potential developers will come now and purchase this and see it as viable to have condos on the top there and overlooking the sea and the scenery which is what attracts developers and they buy it at a low density residential rate, some of it may be zoned agricultural/residential, which is “fairly cheap property”. And then they go and rezone it and get 10 times the value within one fell swoop. I think we need to look at this.

This is not the only Government that has done it, Madam Speaker. I think this Government is just following suit. I believe we need to look more closely at it and give Caymanians some benefit of others coming and seeing the potential for development and us facilitating them and don’t assist our own people at

the same time without them asking to have it done. Just as sure as one sees it, there are 10 others in the wing that see it and want to snatch it up in quick order, especially if we find one of my people who is having a catastrophic illness or something of that nature and they need to get rid of it to pay bills. But if it were enhanced by being rezoned, then we would not have to worry about that Caymanian, nor their children or grandchildren.

So that is my concern. I hear the Minister and I want to support the Tortuga Club and its rezoning. But equally, I want to make sure the people who are along that stretch who have the greatest scenic value are helped as well. Thank you.

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

If not, I call on the Honourable Minister of Planning for his reply.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker.

I had anticipated the line of argument from the Member of East End because we had a short discussion about this prior to this. I certainly respect and understand, in defence of his constituents, and would even go as far as to say that perhaps given the same circumstance of it befalling me, I may well be making the same plea.

Unfortunately, life is not as easy for me as that. And I will explain why. It is for that reason why I said what I said earlier on, because I am very well aware of the wolves that are out there who would prey on landowners if they are allowed to. Hence the reason why the department was told from before this came here that they need to notify the landowners and we wish to complete the process for them as early as possible.

[Inaudible interjection]

Hon. D. Kurt Tibbetts: Yes. But you are supposed to. I said that to you yesterday.

Mr. V. Arden McLean: Yes, but only yesterday.

Hon. D. Kurt Tibbetts: They have been notified otherwise.

The Speaker: Members, let's keep our comments to the Chair.

Hon. D. Kurt Tibbetts: Sorry about that, Madam Speaker.

Besides the light moment, on a very serious level, Cabinet was very conscious of this situation and did not want that type of thing to befall. But the problem we have with it is we cannot have two yardsticks

measuring the process that we engage in. And the Member mentioned Beach Bay's application, for instance, of two fairly large parcels. The question becomes . . . and I agree with what he has said about successive Government's failure to review the Development Plan as the law calls for. The last time he was talking about, which did not come to fruition, was the attempt that I made. And we got a certain distance and then people . . . just cannot get consensus.

Anyway, outside of that, Madam Speaker, the difficulty we have with these applications and the ad hoc basis on which they are done, is you run into the question of—Where do we draw the line? So the Member's argument said perhaps some of the other parcels (and using the Beach Bay example, for instance) should also have been rezoned at the same time. It begs the question, whichever parcel you draw the line on, then you can carry the same argument to the next parcel that has not been rezoned, and before you know it, you are rezoning a residential area hotel/tourism, which is totally incompatible.

So, it is difficult to find a perfect solution. And I know the Member understands what I am saying. But in this particular instance, Madam Speaker, getting back to the point, I want to reiterate again that we wish to carry through the recommendations from the Central Planning Authority, we simply wish for the landowners to swiftly pay their application fee.

You see, Madam Speaker, if we do not have a level playing field with this, then our standards become a "who-you-know" type of thing. And I do not think that is the correct way to approach; not just this, but everything that the Government does. If it were my pocket and my decision I could decide where I want to lose and where I want to gain, and that is a whole different kettle of fish. But we cannot have one applicant facing a certain standard, regardless of who that person is, and the other one not facing the same circumstance. The difference in the affair is when we know of situations like this, for instance, that we do our best to make sure that all of those relevant parties are informed so that no one is taken advantage of.

Madam Speaker, when it comes to Caymanians owning property and being taken advantage of, that, has happened on many, many occasions. I would certainly totally agree with the Member's point on that. And most of the times it has been sheer ignorance on the part of the Caymanian (ignorance, meaning "not knowing"). I do not mean fool-fool, I mean not knowing. And these people see the potential that the Member for East End was speaking about way ahead of time and try to capitalise on it. And I understand all of that and we certainly do not want for this to happen.

Madam Speaker, I believe that the approach we have taken is the correct approach. What I do not want to see happening is if we were to treat it differently, then, we would get these same people who, if they can, take advantage of others coming in and making an application and saying, *This fee was*

waived for so-and-so, so I just want you to do this. And then we get an erosion of the entire process. That was my biggest fear in looking at the situation and trying to find the best way to navigate through it to the end.

So, I hope the Member understands. I am certain that he will make sure that all of these individual parties know and we will work as closely as we can to ensure that we will deal with this on the process for them with alacrity and not let it be held up for any extended period of time once we have the whole situation in order. In fact, I have already instructed Ministry staff to liaise with the Planning Department to ensure that, as soon as they get it all done.

So, understanding what the Member has said, I trust he understands the reasoning brought to bear with the Motion itself and hopefully will find the ability to support it. Thank you, Madam Speaker.

The Speaker: The question is: BE IT NOW THEREFORE RESOLVED THAT in accordance in Section 10(2)(b) of the Development and Planning Law (2011 Revision), the Central Planning Authority hereby recommends and submits to the Legislative Assembly the following proposal for alteration to the Development Plan 1997, a summary and map of which are attached hereto;

AND BE IT FURTHER RESOLVED THAT, Registration Section East End, Block 73A Parcel 102 be rezoned from Low Density Residential to Hotel/Tourism. All those in favour please say Aye. Those against, No.

AYES.

The Speaker: The Ayes have it.

Agreed: Government Motion No. 5/2014-15 - Proposed Rezoning: East End, Block 73A Parcels 102 Registered to Morrith Properties (Cayman) Ltd. - passed.

ANNOUNCEMENT BY SPEAKER

APOLOGY

The Speaker: Before I call on any other Member to speak, I just want for the record to record that we received apologies from Minister Bodden, who is currently off the Island.

OTHER BUSINESS

PRIVATE MEMBERS' MOTIONS

Private Member's Motion No. 16/2014-15, Verification of Gasoline/Fuel Cost

[Continuation of debate thereon]

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

I recognise the Honourable Minister of Planning.

Hon. D. Kurt Tibbetts: Madam Speaker, thank you for allowing me to respond to the Motion that has been moved, Private Member's Motion No. 16/2014-15, Verification of Gasoline and Fuel costs.

Madam Speaker, let me first of all, in my response on behalf of the Government, make it very clear to the Leader of the Opposition, the seconder and all Members who are here, that this is one subject that I believe all of us are on the same page with, of a desire to ensure that there is a fair mechanism in place that ensures that our responsibility to protect the consumer is one that we are able to fulfill; the consumer being every single person in this country because even those who do not have motor vehicles or motorised equipment which use fuel, inevitably they are going to have some light turned on, or some other apparatus that uses electricity and, therefore, the cost of that electricity has a direct bearing on the cost of fuel.

Coincidentally, Madam Speaker, just for Members' information, in a quick review that is done on a regular basis by those in the Electricity Regulatory Authority, I have been advised as of late yesterday evening, the fuel cost that will appear on the May electricity bills is even better than the ERA predicted a couple of months ago. The fuel cost, which is a direct pass-through, will be 13.57 cents per kw hour which they had anticipated to be 15.32 cents. That is just the analogy. Because the price of fuel has gone down fairly dramatically in recent times for us—not to say that it is the right price! It is just that the reduction has been fairly dramatic—that is now showing very positively on our electric bills.

So, the Motion itself, Madam Speaker, in its preamble says:

“WHEREAS the gasoline and fuel prices impacts every sector of a Society;” (and we totally agree with that)

“AND WHEREAS the gasoline and diesel costs available in the Cayman Islands has consistently been priced at a higher level to those available on the global gasoline/oil Commodity Market;” (we agree with that too.)

“AND WHEREAS it is imperative that Government be placed in a position whereby it can ascertain by way of factual, verifiable and transparent cost documents the actual costs, before charges or profit-margins being added, of ALL gasoline and fuel being imported into the Cayman Islands.”

Madam Speaker, I just wish for the Leader of the Opposition to know, and his seconder, that we

totally agree with that. So we are on all fours with the intent of the Motion.

I pause there to say exactly where the Government is at with all of this fuel business. One of the first discussions when the Government came into office of the caucus, it surrounded fuel and the cost of fuel and what kind of approach should be taken. At the same time, Madam Speaker, we were also discussing (and I will tell you why) because of the continuing saga with not being able to come to an agreement with the Cayman Water Company on a new franchise agreement for the West Bay area that they service, which led us to what they continue and we recognise, what they continue to call an unfair situation with a potential conflict with the Water Authority that is and can be seen as an actual competitor to the Cayman Water Authority, also being the regulator.

When we looked at that, that is when we progressed to the thought of a public utilities commission, which we still believe—not just still believe, we are actually doing something about it now and I will explain that—that being a necessary entity for Government to have. I was just giving the background of where we were coming from to get to the point about a public utilities commission.

Our thoughts were that we have this question of conflict. And we also have the continuing saga of the Petroleum Inspectorate inquiring about prices of fuel and not being able to have any mechanism to verify that the information they receive, which is always, perhaps, months in arrears, as being factual. So, the public utilities commission became more urgent as we went along.

The Government sees a public utilities commission being comprised of the Electricity Regulatory Authority, the ICTA, the regulatory side of water; in other words, I will not call it the Water Authority, because it is the regulatory side of the water business, and the Petroleum Inspectorate, being governed under one body, although having their own individual tasks and having the appropriate legislation which will take care of that. That being said, the Petroleum Inspectorate at that point in time will have proper legislation in place which guarantees their ability to get this information.

Madam Speaker, I have attempted this for quite a while, being in various Governments and going at it. And I am going to lay it all out. When I was there between 2005 and 2009, I got two reports done, which are still valid today, and which we have in our possession. And every time I would meet with those people . . . some of them are still there, some are new. Names were Texaco and ESSO then. We have all kinds of other names now, but same story exists. Every time we would be speaking about the type of critical information we wanted to satisfy ourselves, because I kept saying, *Listen, you cannot expect the Government to say that we believe what you are saying if you do not provide us the evidence for us to say so. And I am not*

going to say that we believe whatever you all say unless you prove it to us. And every time we asked for the information, there is this fancy word “proprietary” that they use and say it is *proprietary* information. And they still use it today.

In all of what is going on—and I seem to be going around in circles, but I will get back to where we are today—we come to the conclusion of the public utilities commission. So that all Members will know, we have in the Ministry on a three-month contract that began right after Easter, a gentleman who is eminently qualified by the name of Mr. J. Paul Morgan. We have him on a three-month contract to be extended, if necessary. His job is to gather all the facts together about the entities we speak to and to develop the framework. By the time his task is finished, we will be ready to move forward with a public utilities commission.

For those who may think there is great difficulty in putting it together, in discussions with the learned gentleman and from discussions with the heads of the various agencies I spoke about earlier, I do not see tremendous difficulties. The thing that is going to be the most arduous, task-wise, is doing the necessary legislation. But we will deal with that. That is what is going to take most of the time, dealing with the necessary legislation, whatever umbrella legislation we need to create, plus having each agency with its various regulations so that each of those agencies has the right “teeth” (if I may use that term) to be able to do their job effectively. That includes the Petroleum Inspectorate with regard to regulating fuel in Cayman. And that is not just about cost, but also speaks to safety and everything else.

Madam Speaker, one of the principles that this Government recognises is the fact that while the Cayman Islands is proud of its free market economy, and the point I was making earlier, which I come to now, is that years ago when we looked at how to handle this matter, including myself, we were scared of encroaching on our free market economy by taking any single area out of it and saying that we were going to regulate it. The laws of competition are the norm that we use to prevail; but everybody is free and who is successful will succeed and all that.

You see, Madam Speaker, why we come to the conclusion that fuel is the exception, is because if you look at fuel it is the one commodity which every single thing that every single soul in Cayman does, it has an effect on. When the Leader of the Opposition was introducing his Motion, he spoke to that. And he spoke to what you buy at the grocery store and everything else, because the add-on effect comes from fuel being one of the key common denominators in the cost of everything and all services provided.

By viewing that as the exception, we take the position that because we are not totally satisfied that the normal laws of competition prevail in that sector here in Cayman, and I hope they are listening, or I

hope they hear it because I have told them before, and up to very recently I told them that I do not believe a word they are telling me about their markup, that it is meagre. They are full of it!

Taking that position, Madam Speaker, the Government is moving forward to create the public utilities commission, to create the necessary legislation because, again, as a caucus we have agreed that if it is necessary . . . and I have to pause for a second. Madam Speaker, I gave them an opportunity. I met with them months back—not for the first time since this term, but when I met with them several months back I did not meet with them together. I met with them separately; representatives from both companies. I said to them that if they do not bring me back a plan that systematically shows the Government how their pricing structure is arranged, that we can be satisfied with . . . because nobody wants for the business not to succeed. Nobody expects for them not to have a fair markup. But there is a limit to what . . . in other words, I do not think what they call fair is what we call fair.

So, I told them that if they were not back to me within weeks, the Government would proceed with what I told them we were going to do. Not a peep from either one of them, except when the press broke some story about it, one of them commented in the press as if to say the Government should be very careful in creating any legislation and regulation for fuel in Cayman because it could lead to higher fuel prices.

Madam Speaker, there we go again with this business about who is fool-fool and has no sense.

[Inaudible interjection]

Hon. D. Kurt Tibbetts: The mere fact . . . I understand what they are saying about that it could lead to higher fuel prices. Then we would really be stupid if we did it like that. But we would never do it with what that man has on his mind. No! We would never do it like that.

The point I am making, Madam Speaker, is that they have not come back to us. So, our intention now, and we have already . . . as I said, the gentleman is on the ground now. Our intention is to create the public utilities commission as swiftly as we can. But we have to do it right. While all of that is going on, create the necessary legislation and put it in place.

Madam Speaker, we are still going to be F-A-I-R about it. And we are going to have dialogue with these people.

I want to say clearly now today, Madam Speaker, that I understand their methodology of purchasing and in reality when it comes to lag time and all of that. So, I understand that there are some complexities there, that it is not quite as simple as it sounds. And sometimes because your mind is focused in a certain direction they may be accused a

little bit more than they really deserve, of doing something. That is possible because of the methodology of purchasing.

Mr. V. Arden McLean: They lie.

Hon. D. Kurt Tibbetts: No, no. I give them that in the matter of principle. But it does not change anything that I am saying because if we have a circumstance in place where we know that the facts given are facts, and we have the ability to check at any time to make sure they are facts, they will not deal with any semi-dummies

Madam Speaker, when I said what I just said (and I am being told I should give them no leeway), I only said that . . . and I will tell you why I said that, Madam Speaker. I said that so we do not fall into the trap of letting them use that to show why our case is not what it is. That is the only reason why I said that. I want to throw it across the beam to make them understand that we understand what they do, and how they do it.

The other thing I want to make very clear too, Madam Speaker, is that this is nothing personal. I know every single one of them that we talk to, works for somebody. They do not run their own show. And they have directions. So, while it is nothing personal, whether it is them or someone else, it means the same thing to us because we have to break the back of this thing.

Madam Speaker, right now, so that we understand it very clearly, there is no legislation in place by which we can command them to give us certain information. But we are going to put it in place. Not “can” we *are* going to put it in place, because I have given up all hopes of any dialogue working because it will be just like many other things. They keep carrying you down to the wire, then want to start all over again. And you get old and tired before anything happens.

So, for me, personally, that part of it, I’m finished. The dialogue will not be about whether or, the dialogue will be, *This is how it is. Unless you have any salient points to make about why it should be any different, this is how it is going to be. If you have any sensible points, give us now so we can move on and get it over with.*

That is how it is going to work, Madam Speaker.

When I mentioned about having no legislation in place, and as I have explained to the Honourable Leader of the Opposition, there are some mechanical difficulties in the Motion for us because of the legal advice that we have. So while we cannot accept the Motion the way it is worded, we want to make it very clear that the intent of the Motion is something that we totally agree with and I wanted to take the opportunity to outline what we are doing presently so that the Leader of the Opposition and other Members and, indeed, the public, can understand.

The other thing, Madam Speaker, which the Leader of the Opposition speaks to in the resolve section, is that the Government undertakes to draft the necessary enabling legislation towards a suitable Energy and Fuel Sector Law.

Madam Speaker, just so Members will know, the draft Energy Policy, which both the Leader of the Opposition and yourself will know about, that was done previously, has been perused very carefully by the Managing Director of the ERA [Electricity Regulatory Authority] and he has sought some outside advice to assure . . . and there is some tweaking being done and is nearly completed to that Energy Policy, simply because of . . . within three or four years some things will have happened that you want to bring it more up to date with, and that is what is being done.

We expect to have that finalised within a month, at which point in time the Government, once the relevant presentations are made and input is taken from Members and everybody is content, then that Energy Policy will be adopted. That will pave the way, along with the public utilities commission and the necessary legislation, so that there will not be any more mistrust and all of that about what is happening with fuel prices. What we are going to ensure, Madam Speaker, is that there is a reporting regime on a regular basis. With that reporting regime (this is unless everybody in the world comes down on me and says that that is not how it is), if CUC wants to raise any price, they have to justify it to the ERA. If these people want to change any price, they have to come to the necessary agency and make their case. They are not going to get up one morning and feel like they are doing it.

So, those are the things that will be put in place.

[Inaudible interjection]

Hon. D. Kurt Tibbetts: Sorry?

Madam Speaker, there are other matters which I could be talking about, but I just wanted to give the Members a brief outline on what the Government has in train with regard to energy and to fuel prices. While, as I said, because of the legal advice we have . . . because the Motion calls for us to have a forensic audit done. The Motion is saying that we must do this forensic audit. But the information that would be required to do a forensic audit . . . if we accept the Motion it means we are going to do a forensic audit. And what I am saying is that legally we cannot demand the information that would allow for a forensic audit to be done. In other words, we cannot do a forensic audit at this point in time. Once we get the legislation in place we will be able to do that whenever we wish, whether on an annual basis or however it is. But, I certainly wish for the Leader of the Opposition and everybody else to know that the Government's

intention, and I think working together, we will be able to achieve the same goal.

The other thing, Madam Speaker, I have said it before and I say it again, this is one of those issues where we need have no difference of opinion. Everybody wants the same thing to happen. If they know that they cannot come in and pick off any one or two of us, the Government (meaning all representatives) stands stronger with the ability to do what we have to do and to do it fairly swiftly. Thank you, Madam Speaker.

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

[Inaudible interjection]

The Speaker: Do you anticipate being more than 15 minutes?

We will now take the luncheon break and reconvene at 2:00 pm.

Proceeding suspended at 12:43 pm

Proceedings resumed at 2:31 pm

The Speaker: Please be seated.

OTHER BUSINESS

PRIVATE MEMBERS' MOTIONS

Private Member's Motion No. 16/2014-15, Verification of Gasoline/Fuel Cost

[Continuation of debate thereon]

The Speaker: Before we took the afternoon break, we were discussing Private Member's Motion No. 16/2014-15.

Does any other Member wish to speak? [pause] Does any other Member wish to speak? [pause]

I recognise the Member for East End.

Mr. V. Arden McLean: Madam Speaker, I really want to speak, but I thought the Premier was going to speak, and I wanted to give way to him. But since he is not in the Chamber, I will go ahead.

The Speaker: Are you giving way to him, or . . .

Mr. V. Arden McLean: I would, but you see, he's not here. So, he is unavoidably absent and I will go on.

Madam Speaker, I rise to speak briefly on the Motion before us brought by the Leader of the Opposition and seconded by the Deputy Leader of the Opposition. Madam Speaker, whilst I find that the Motion is timely, in my view, it does not go far enough. But so

be it. I shall ensure that I make some suggestions today to the Government.

I have noted with interest some of the comments by the Minister responsible for petroleum. I also note that the Premier recently announced that the Government is looking into the creation of a utilities commission. I think this was earlier this month that the Premier made that announcement when he was announcing that Government had not dismissed the E&Y report in its entirety, but they were going to look at some of the suggestions they made for the reform of Government.

Madam Speaker, I believe the creation of a utilities commission has been around for quite some time. I recall some time before 2000 the former Members of this honourable House, Roy Bodden and Gilbert McLean, brought a motion for the creation of a utilities commission. When I became Minister and had to renegotiate CUC's licence, I too announced that it was my hope, wish, and desire to do likewise. Unfortunately, that fell because of so many other things we were doing.

Then, Madam Speaker, upon your taking up of that position you commissioned a NEP, National Energy Policy, through the Electricity Regulatory Authority. The outline was tabled in this honourable House in 2013 when you had assumed the responsibility of Premiership. So it has been around for quite some time. We have been tinkering with the idea for quite some time and I look forward to this Government completing that creation.

One of the things the Premier did not announce was which utilities would be covered in a utilities commission. We currently have a regulatory oversight with phones, electricity, water, but we have none with fuel. And I am not only talking about gasoline and diesel, but, certainly, domestic fuel falls under that also. We fortunately do not need heating fuel.

Madam Speaker, I envisaged that at the time to be, like the Premier said in his announcement . . . he called it the creation of a single utilities regulator, instead of having regulators all over the place. I support that terminology (if we can call it that) for a regulator, a utilities commission, where all the disciplines are represented and it is under one statutory board. The Minister went on to say that he has engaged a consultant. May I suggest to him that he also engage the goodly gentleman from Jamaica who sits on the ERA, because that is who I started to engage to assist us; Mr. Hay.

[Inaudible interjection]

Mr. V. Arden McLean: Okay. I know he was a little . . . okay. Yes.

Okay, Madam Speaker, the Minister is saying that this gentleman he engaged based on the recommendations of Mr. Hay. If he recommended him, then I will have to accept that, because—

[Inaudible interjection]

Mr. V. Arden McLean: Okay.

I know I have this affinity towards Mr. Hay, an older gentleman, but certainly very professional, very capable and was recommended to me by World Bank. He was responsible for the creation of the Utilities Commission in Jamaica and served many years as its chairman. So, I am glad to hear that this Government is in good hands, because I am sure the new gentleman will take some advice from Mr. Hay. He was very instrumental in the licensing process between Government and CUC.

Madam Speaker, a utilities commission is created to regulate all utilities, because utilities that affect and influence an entire population need to be regulated. And that includes fuel. These are commodities that are considered utilities. And they must be regulated.

Madam Speaker, I refuse to let anybody off the hook when it comes to our fuel suppliers. We have all had a hand in this, and this Government no less than the others. But our fuel suppliers have gotten away with murder over the years (the old cliché). Madam Speaker, anywhere else in the world fuel suppliers are regulated. If it is not by the stock market, it is additionally by the countries they operate within. But it needs to be done through legislation. We cannot afford for a commodity as essential to the wellbeing and success of any country to be a device unto themselves, and they hold the people of the country at ransom. We cannot afford that; and in recent times, more so.

When I was in the Government, the price per barrel was below \$50.00. Since leaving Government the price has arisen to \$100.00 and is now on its way back down. It is now under \$50.00, again, or right around \$50.00 (unfortunately, going back up again now). Anywhere else has legislation. I will show that whilst the Minister is saying he is fed up with waiting for these suppliers to come back with some reasonable proposal, I want to tell the Minister that we should have been fed up with them for a long time.

Madam Speaker, they like to tell us that the price they purchase it for is proprietary. They love to tell us that. Well, that is true. But the price any merchant in this country buys their stuff for is proprietary, wherever they buy it. But they must disclose it to this country if they are going to operate in this country in order to fulfill the tax regime in this country. But, Madam Speaker, we have no tax regime over the oil companies. None! Now, we need to legislate for a tax regime, specifically for fuel in this country. How we do that, Madam Speaker? We come to parliament and legislate it and put a schedule of how much they can charge over and above the CIF Cayman, which is easily verified, like this Motion calls for. It is verifiable.

Madam Speaker, anything they do, particularly in the fuel industry, is public. I mean the purchase

price. If they buy it in the Gulf, or wherever they buy it, it is on the stock exchange, the stock market, and the price is publicised that day on how much it was traded for. It may not necessarily mean that that is the same price they bought it for that day, but it is close—within cents—because it does not fluctuate that much.

To the Government, I say let us create a new import regime just for fuel suppliers. Here is how it would work, Madam Speaker, just like it does in the Bahamas (if I may use a country that does it). This is how they do it. Once oil and petroleum products are landed in the Bahamas, at every stage there is price control. It is controlled by Government. In 2008 the Government imposed \$1.06 on every gallon as import duties. That is on gasoline. That is for the Treasury, just like we add .85 cents or .75 cents per gallon. Then the wholesale market is allowed to mark up .33 cents on every gallon. And the retailers are allowed .44 cents on every gallon. So, Madam Speaker, when we add those two together—

[Inaudible interjection]

Mr. V. Arden McLean: Cap! When we add those three together, whatever it is on the market that they bought it for that day, there is \$1.83 added on to it once it reaches the Bahamas. (And those are US.)

Now, there are people who say it is not the thing to do. But certainly there is some control. Now, Madam Speaker, because we operate here in imperial gallons, if we use the US amount that they buy it for and just convert that straight to CI, we have just about covered the imperial gallon, just about; maybe a half a cent here or there. For the purposes of calculating it, that is a good way of looking at it. So, if they paid \$2.00 for it, then US\$2.00 per US gallon, we say it is CI\$2.00 per imperial gallon.

Madam Speaker, it goes a bit further. What happens is that we need CIF Cayman, cost/insurance/freight. Recently (I did not check this morning) PRATT had fuel, diesel, at less than \$2.00, but we were paying nearly \$5.00. Now, let's look at it. It cannot be any more than about .10 cents per gallon for transportation. Insurance may be less than that, maybe one cent per gallon. So let's call it around .10 cents plus the initial cost. At the time it was \$1.87 or something, so I want to call it \$2.00 with the transportation and insurance. Let's call it CI\$2.00 and put our .75 cents on it—CI\$2.75. That's the Government's. Give them a reasonable profit margin of .33 cents. That's just over \$3.00 (\$3.08), right? We would then add .44 cents and make it \$3.52. That is what would be a reasonable cost for diesel. Gasoline would be below that.

Madam Speaker, what I am trying to show here is that we need to stop begging them to come to us. We need to come to this legislature and put a price on them. But, more importantly, we need the Minister putting this through. We need to give them

two years to get out of the retail business. They have no business on it, because they are going to get double whammy on me. Okay? *In two years, you are out! If you are not out, we are taking control of the stations that you still have.*

Madam Speaker, sometimes you have to hold people in order for your people to survive. There are many, many Caymanians . . . we see the proliferation of gas stations. We see one going up just up the road again. I don't know how we are going to do it. That is three within a half-mile radius. There are many Caymanians now who can take them over as a business. Why is it that RUBIS and SOL are still involved in ownership of the retail point of fuel? You notice they have not said one word in all of the dialogue, debate, accusations against them over the last year? Not one word.

Madam Speaker, I do not know who in this Government did it, but somebody allowed them to operate, evidently under the LCCL [Local Companies (Control) Law] of ESSO and TEXACO. Where we should have been in control was to hold them at the time, or require a new LCCL. Now, I do not know how it is being operated, whether they are operating as ESSO and trading as SOL, or RUBIS, or whatever the case may be, but there is something wrong with us not having control. How did their shares get transferred? That is my concern. Is there a requirement for the shares to be transferred? This Minister brought a new Bill recently about share transfer and it must be approved for transfers.

[Inaudible interjection]

Mr. V. Arden McLean: Well, the landholding, yes, because over there they have all the land that their gas station is on. That is what I meant, Madam Speaker, "holding transfer".

Madam Speaker, I know every Government has tried to be as (should I say?) accommodating as possible because that is our energy sector. In the absence of that, our country suffers. I understand that. But, Madam Speaker, the same way we have EXXON and the other one, or SOL and RUBIS, there are many more out there that provide the same service. There are many more out there that will come in and buy it. So what I am saying is, *If you do not want to accept the legislation, you can find another jurisdiction to operate in. You are not the only gig in this here town. You are not!*

There are many oil companies out there that make their own oil, refine their own oil, that would come in and provide fuel for this country—they are in the business—if you negotiate or give them a reasonable profit margin. Madam Speaker, it does not matter where the price on the world stage goes, you know, under the scenario that the Bahamas operates, and which I just alluded to. It does not matter where the price on the market goes. The Inspectorate can verify

it because it is posted. For every place that sells oil it is posted on the Internet, on the stock exchange and what have you. So do not tell me that they are going to tell us that they bought it from their own place, from their own refineries, and they have it at \$10.00 when we know it is posted and they received it at less than \$2.00. They cannot do it.

But right now, the regime we have is we do not know how much they pay for it. What we need to know is the volume and we attach a particular price onto the volume per gallon. And we can verify that because we can read the meters and see exactly how much it is. And we can inspect that at any given time. But we do not know what price they pay for it and what price margin they are putting up on it. And they claim it is proprietary. Well, that's fine. You can keep it as much as you want, but I am legislating, and the same way my Caymanian goes to Miami and buys a commodity, a vehicle or something, when it reaches Customs under the Minister of Finance, he has established a tariff list, saying, *shoes, 22 per cent; car, if it's under \$30,000, it's 27 per cent* and it gets progressively higher based on capital gain.

Now we stick one under for fuel as well, whether it is domestic fuel, gasoline, aviation, diesel, it does not matter, make a line item for each one. That's it—cost, insurance, freight. This is how much you are going to pay, \$1.08, \$1.80 per gallon over and above the CIF Cayman. That is what needs to happen. That is the only way to control them. It will bring more efficiency to the fuel industry in this country and they will look for a cheaper source. Of course, they may say, *Well, we are not looking it because I am getting my .44 cents no matter what.* But then, when the Inspectorate sees that they could source it at a cheaper rate and did not, then that is a different penalty. That then comes off their .44 cents for that delivery of fuel.

Madam Speaker, what we will get is a change in our price quite often, but it will accurately reflect the world oil price. That is what will happen. They tell us that it is 75 days, and the Premier spoke of that recently, that there is a delay in fuel price based on the world oil price. That is the agreement they have with CUC, that CUC will only pay the world oil price (which is an average) over that month, and it takes one month to calculate it, because they need to pick up all the different prices it was sold for, and then they have an average price. That is how the price of oil is determined by the stock market. That is the agreement they have with them. But they have none with the consumers. So, they leave it there in the tank, and when the time comes they tell us that the cheap one hasn't come in yet. In the meantime they are making money off of that cheap one because the old one is finished and they are selling it at the old price.

Many in here, Madam Speaker, know of individuals in this country from Texas who nearly went to jail for that! Many of us know about the \$50 million they were charged by the IRS. It's public. Discourse!

But America has a tight control on it. They come here and find us and we do not have tight control and we feel obligated to them. Hog tie their two hands and feet together now! That is what we need to do now.

Madam Speaker, I am telling you that as soon as the price increases, we are going to find our hands full and our hearts empty again, or vice versa, we will find our hearts full and our hands empty or full with price from them. The time is now. We do not have to go to them. I think .33 cents and .44 cents is reasonable on a gallon of fuel. I think the Government's .75 cents . . . or one is .75 and one is .85 I believe. Well, CUC is .50 now.

[Inaudible interjection]

Mr. V. Arden McLean: Pardon me?

But it is regardless.

The Government controls the taxes in this country—not them! That responsibility has been given to this parliament—not them! We say how much we want on it in the interest of the people and the people are paying it because they are passing it on. All they are doing is collecting it on our behalf. That's all. But in the meantime they are making big profit.

Madam Speaker, it has to be for a small country like this. I will bet you that per capita we consume more than anybody else in our neighbourhood, in our region. Look at CUC—some 35, 40 million gallons per year. Just government, is \$20 million (25?) in revenue. And then we do not know how much they are making, Madam Speaker. We do not know because it is all proprietary. We do not know. Do you not think that a commodity as important as utility, that the Government should know? Madam Speaker, I say yes.

We know how much the Water Authority makes. That is the other thing we need to get that utilities commission for. The Water Authority should not be providing and regulating themselves either. That is number one. We know what the rates of the Water Company are. They have to publish them. CUC? We know the licence. They have to publish it. It is a publicly traded company. The telephone, ICTA [Information and Communications Technology Authority], this is the only one that affects our people and we have no control over them. But importantly, the Water Authority is owned by us. The Water Company is owned by Caymanians. Cable and Wireless, Caymanians have shares in it. Plenty of them!

[Inaudible interjection]

Mr. V. Arden McLean: Employees, yes.

CUC—lots of Caymanians owning it. The fuel providers are outside of ya. Everything they make gone a yard. I don't know whose yard, but somebody's yard. And it's not my yard! And it is time now, if it is going in their yard, we control them. It is time. I do not want to hear anything about, *You know, they*

might leave. Let them leave! They can't take those tanks or the land, or the gas stations! They need to get out of the gas stations. There are Caymanians in this country that can buy them. The majority of them are owned by Caymanians anyhow. But they have a few that they are making double whammy on in this country. And the Minister says that they think we are fool-fool. You're doggone right that they think we're fool-fool. They have reason to believe we are fool-fool, because we allow them to do it.

There is no entity any more powerful than this green floor and these green seats. Let's do it. Let's do it. I do not want to hear that we are going to run away business. I do not want to hear it. If one of *unna* gets up and says that, I'm going to stop unna on a point of order.

[Laughter]

Mr. V. Arden McLean: I don't need that!

Madam Speaker, I know the Premier will do it, you know. He will be on my side to get relief for our people. This is the commodity that affects us all. If our parents are catching the bus, it affects the price on the bus. I do not know if we can get that lowered because of them. And regardless of how we do it, it affects our way of life. Every opportunity we can get to lower what affects and increases the cost of living in this country we need to take. We have the authority to do it, let's flex some muscle.

The day that they came here a long time ago, before my time, it was all well and good. We even put in a pioneer law in those days. The LCCL was particularly created for that purpose to assist people to come here when Caymanians did not have the wherewithal to do those things, and to protect them so they could have return on their investment.

Madam Speaker, I am looking right across here at two young gentlemen who are capable of buying either one of those gas stations out there. They are successful, three or four of them. Four of them, right there, Madam Speaker.

[Inaudible interjections and laughter]

Mr. V. Arden McLean: No, I am not trying to take anything from them, but I would encourage them to go buy one or two of those gas stations when they go up for sale.

That is their success. Those Caymanians like that are the ones I am talking about.

The Speaker: Member for East End, are you trying to prevent those two or four Members from voting on the Motion?

Mr. V. Arden McLean: Madam Speaker, I am trying to encourage them to exercise their mind. I better not do that . . . that may prevent them. But once they

come out here . . . they have the resources to get it. I would encourage them to go buy it.

Madam Speaker, we like to be too jealous of Caymanians who are successful. As soon as they see somebody go now and put these things up for sale and some Caymanian goes and buy it, *He got ganja, or cocaine, and he's money-laundering or something.* That is what we do. That is why Caymanians are reluctant to reinvest their money in their own country. The abuse that we give our own, instead of lifting them up! Oh, I am going to beat them politically, you know. Oh yeah, I'm beating them politically. But that has nothing to do with their personal lives. I respect that. I revere that.

I understand these things called "riches." I resolved a long time ago that they are to me like caffeine is to 7-Up—"never had it, never will. But here I am, I have a job to do.

Madam Speaker, we need to stop these oil companies. We need to stop them. Like I said, I believe this Motion (especially when it was filed) is timely. But the wording of it may not necessarily coincide with how I feel. Nevertheless, I appreciate and understand the merits of it. Some control needs to be put on these people. And then the Minister commented to me recently that they say they are now going to do repairs, and he said that here today as well. After all these years, Madam Speaker, it is only now that repairs can be done on those tanks up there? Well, there are ongoing repairs, but I am talking about major repairs, safety, new technology, that kind of stuff. Adversity moves people, or what? It has to be that.

They should be ashamed of themselves. They came in here on their white horses, riding high, telling us that they were going to be fair with us. Madam Speaker, I am reminded of my days at sea. When we were going to Mobile, Alabama, there was a Greek there who was a former seaman. He understood that when seamen reach a port don't have much time. So he set up a little shop, a department store with all the things you would carry home and that kind of stuff. And he had a transportation system, a bus to come to every ship and pick up all of us, the crew members, and take us to his store. And he had an accent. He would say, *You come with me. I cheat you good.* Okay? He was trying to say "treat you good" when he said "cheat you good." One day I said, *I have had enough of that. I want my money back that you have taken from me!* That is what we are in to.

Madam Speaker, it pays for us to seriously look into this. I know the Minister responsible for petroleum has the capacity to understand. I know that. I also know he has the capacity to stop a man in his tracks, once he gets a good grasp of what he is dealing with. He needs to take this on. And I implore him to take it on. Madam Speaker, it was he who created the Petroleum Inspectorate during the 2005 to 2009 Government. He did that. It was he who insisted that the gas stations do their signs with the prices so peo-

ple would not turn up and not know what they were paying. So I know he has the capacity. I do not need to be there with him, but he knows that I have a little bit of knowledge, which might be a dangerous thing too. Like him, you know!

But in all that I just praised him about that inspectorate, I have had occasion to talk to the gentleman there (don't remember his name), and I appreciate how difficult it is for them to operate because they are the lion of the jungle and someone has extracted their teeth. They have no teeth to bite with. So, we need to put a governance model in place, regulatory legislation in place for the Petroleum Inspectorate. And I know my good friend is capable of doing that.

Madam Speaker, I am more than mindful to go into that Navasota thing, but I have done enough of that today. There is more to come. So, keep the ears close to the ground. You will hear the drum when it is beating. It will resound throughout this country.

Madam Speaker, I hear the Minister when he says he has asked them to produce a plan moving forward. He says he's a little fed up with it. And if they don't, Government will proceed with what they have to do. Let me say to the Minister, to the Government, I am waiting, because I too believe that the time has come to proceed. The time to wait, and the time for a plan, has long expired. I believe that the Minister of Finance would be smiling if there is a system in place that gives him a more concrete understanding of what the revenue, or lack thereof, is on the fuel. It has to be, Madam Speaker. And if the Government does not move we are going to go into the next couple of years.

I know my good friend, the First Elected Member for Bodden Town just indicated, and I believe the Minister of Financial Services and the Second Elected Member for George Town also indicated, that the price is starting to come back up, slowly, but that is the fear I have. Let's get it now and let's put some provisions in place also that they are regulated to ensure all of the international safety standards are met at those two terminals up at South Sound, because they aren't going to move. We know that. We are looking for competition to them. Then, you will have another proliferation of gas stations of a different colour. It has nothing to do with competition; it has to do with control.

Whoever comes off with that will fall in line in accordance with that, and we will review it on a regular basis. And if they want to increase, I agree with the Minister that CUC has to apply to the ERA, the telephone has to apply to the ICTA, the Water Company needs to apply to the Water Authority, and then they should be applying to the Inspectorate as well, which would, I hope, eventually be under one umbrella of a utilities commission.

Madam Speaker, it appears the Government is not going to support this, but I want the Government to do something though. They are not going to leave it just so. They cannot just turn down this Motion and

turn away. This is priority. It is urgent. It is needed now, not tomorrow! Forget about the Leader of the Opposition. He's not part of it. It is bigger than him, and all of us. It is about our people, and we need to move now, not tomorrow. Now!

Thank you, Madam Speaker.

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

Honourable Premier.

The Premier, Hon. Alden McLaughlin: Thank you, Madam Speaker. I just wish to make a brief contribution to this matter and to first commend the Leader of the Opposition for finally, after 30 years in office, 2 years at the helm of the country, coming to the realisation that this is an issue that needs to be addressed.

I also wish to commend the Minister responsible for this particular subject, the Minister of PLAHI, they call it now, Planning, Lands, Agriculture, Infrastructure and Housing, for taking the initiative in the way he has and battling through what has been some very, very difficult obstacles to get to this point. I want to assure the Leader of the Opposition and the country as a whole, that this Government is absolutely committed to pressing through and creating a public utilities commission which has been talked about for as long as I have been down here, which is now almost 15 years.

Madam Speaker, the whole issue of the cost of fuel is something that as everyone, including the Leader of the Opposition in his introduction, has recognised is one of the key factors in the overall cost of living and doing business in this country. I am glad that the Leader of the Opposition has come to this realisation, albeit at this late stage, because, certainly, in 2010 when his administration increased the cost of duty on the importation of duty, not once but twice, adding on a whopping .45 cents to the overall cost per gallon of diesel for CUC, he did not quite see the correlation at that stage.

Indeed, Madam Speaker, he is quoted in the [Caymanian Compass](#) of 23 June 2010 as stating that the fuel duty hike put the burden of increase only on those who could afford it. That is, he intimidated vehicle owners and Caribbean Utilities Company. He is reported to have also added that his Government, “. . . **had to get that little bit of revenue, and 25 cents on fuel is not going to kill you.**”

So, Madam Speaker, I am glad now, with the benefit of time and the perspective he now has sitting on the Opposition bench instead of on the Government bench, that he has come to the realisation that this is a critical factor. It is just a pity, Madam Speaker, that in all of those years when he was in a position to actually do something about it, he did not recognise this particular issue and he did not seek to address it.

Now that he knows, and knew, full well that the Government is driving hard to address this issue and to establish a public utilities commission, he comes along with a Motion seeking to persuade the Government and the country that this is something that he has really thought about and cared about and that he is pressing the Government to do something about it.

But, Madam Speaker, the Government is way down the track with dealing with this issue. We have made it clear to all concerned, including the fuel companies, that we are not going to be deterred in our determination now to get a firm control on the cost of fuel in this country because if we allow the free market to continue to determine what these prices are, everything else in the country is going to be adversely affected.

Yes, the cost of fuel on the world market has fallen in recent times, and the measures that we have taken as a Government to reduce the duty on fuel is assisting. But the world market is volatile and in due course prices are going to go back up again, and Government does need to have sources of revenue. So, although we would like to completely take the duty off diesel, I do not think that that is going to be viable any time soon. So we have to ensure that those who are supplying the fuel are able to get a fair profit, but they are not allowed to continue to extort the local population with respect to this issue.

So, Madam Speaker, with those few words, again, I want to reiterate the Government's commitment to seeing this matter through and to establishing a public utilities commission. I am probably going out on a limb here, but it is something that I do not think is out of reach during the course of this calendar year. But it is certainly something that we are determined to do with God's will during the course of this term. Thank you.

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

If not, I will call on the mover of the Motion to exercise his right of reply.

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

I appreciate the time the Minister took to explain in his view what is happening and what they intend to do. I still know that our Motion is relevant. And I certainly want to thank the Member for East End for his input. I agree with him that at the time of the granting or the relicensing of the LCCL was when their foot could have been held to the fire. Now the Government does not want to move against because they say they need legislation.

Now, Madam Speaker, there is no greater proponent of our free market system than me. In fact, yesterday the two Independent Members were saying

that we give too much in concession to business. But I do not think we would be going too far if on Monday the Minister called the importers in to tell them it is passed by this House and it is the will of the Government that our request here is carried out now.

Madam Speaker, let me address the least important first. The Premier said something about after 30 years that I recognised the need for this important matter. I wonder if he has ever carried any motion to this House about it. He said he's been here 15 years. And I wonder if his Government, while he was there for five or four years, why they didn't do something about it if it were that easy to get done. Why, if it were that easy?

I know this. I understand that the Member for East End [when] as a Minister, I think he said something just now about attempts to do something. And I believe you will recall, Madam Speaker, yourself, because at all times that I was in Government you held that Ministry. Not me. But I know of your efforts. So, you see, Madam Speaker, when I told the Premier in the dining room today at lunch time that he goes to sleep and wakes up with McKeeva Bush on his mind, because he knows . . . he knows that he cannot beat me any other how than the ways that he does.

He then has the audacity to say that I knew that they were doing something. Madam Speaker, I am going to tell you something. Nothing else hurts me about being in Opposition but the fact that as Leader of the Opposition in this country, constitutionally Leader of the Opposition in this country, I do not know anything. You cannot get any information, as free as they say the information is, as open as they claim they are. It is obvious they are talking to other people. I cannot get documents until I request . . . until somebody else opens them up in this House and I have to request them. I can't get them! I wrote them two weeks or four weeks ago about a cemetery in West Bay. They have yet to answer me. And he has the audacity to come here, drinking Perrier, and talk to me about I knew!

[Laughter]

Hon. W. McKeeva Bush, Leader of the Opposition: Madam Speaker, I didn't know anything about what they were doing.

I know that we have a problem. And, yes, he ought to know, being in Opposition so often, that you do have more time to think and more time to see things, although you can't get information, at least I can't get it. You do have time to see things, and you have time to see people.

I ran 15 or 16 subjects! Something that is taking four of them to do! So when could I oversee all of this? What time? Four of them are doing it.

Keep your mouth shut, you had your time!

[Laughter]

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

Yes, order, Madam Speaker, really, because that Member believes that because he has 15 or 14 Members over there that somehow he is going to manhandle me and push me down. Not this McKeever Bush! I have been here too long for that, and I know my way around those Standing Orders too well.

So, Madam Speaker, he should be the last to talk. Does the Government have any knowledge of the actual cost of fuel that is imported into the country? That is the question. And that is what he should be beating up his gums about, not come and tell me about I put on fees. Oh yeah. He didn't tell them why. He makes claims about cost reduction to our people, but the facts cannot be part time, Madam Speaker. The facts cannot be part time. And that is what I see about this Government, the Government engaging in fleeting moment, benefits to say *We did something*. Oh yeah? You watch how some of the things they are doing end up. Time is a master for everything, Madam Speaker.

Madam Speaker, I said yesterday . . . and he couldn't leave it alone there, you know. You would have thought that he would have thought a little bit more about what he was going to say. The Premier made a statement which, in strict parliamentary terms, Madam Speaker, should have come from the Minister with responsibility for petroleum and the generation of electricity, Mr. Tibbets, the Minister of Works, or from the Minister of Finance. But no, the glory-grabber always pokes his nose out. But he tried to degrade any time that I came here, and you, Madam Speaker, or anybody else can say that I ever made a statement on anybody's ministry. They did that themselves! But, Madam Speaker, every time I came here to say something, *You can't say that; you shouldn't do that; you're a dictator*. But yet, nobody else seemed to get up to do anything before the glory-grabber, waving both hands in the air, like he's doing soca!

[Laughter]

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

Now, in his statement yesterday, which he refers to today, he tried to degrade my statements in 2010. Madam Speaker, when I had to increase revenue to save the good ship Cayman Islands from running aground and turning belly up, because the same Minister had helped cause the \$80 million deficit and gave the Foreign and Commonwealth Office control over our budgetary process. So when this little boy from old Bush checked up to London, what did they tell me? Put in tax—income tax, property tax—fire 500 civil servants, or put in the other taxation they wanted me to put in, value added tax.

I said, *No, it's not going to happen under my watch. Furthermore, I can't fire 500 civil servants. I can try to bring the budget down. If you want them then you will have to deal with Donnie Ebanks and*

Taylor and the other Governor, Stuart Jack. That's what I told them. Not me! But that's what their thing was, for us to bring down the budget. I said, We'll get it down. We'll get down the deficit. And we did!

And now, the man that helped break the law comes and complains because I put .25 cents on gasoline? And, Madam Speaker, the truth is being told. That's why you hear him yapping out there like a washing machine.

Madam Speaker, according to this load that he claims they have done for the people, I can say that I find it almighty hard to believe anything any company says, particularly in its giving up of statistics, that has so much connection with people around in power, who benefitted in such robust sums of \$13 million from the same PPM when all Caymanians, average and otherwise, were paying through our noses for damages from the same hurricane. So statistics, in the coolest of months, Madam Speaker, and about reductions are misleading in bills and who it benefits the most. And when they say that it gives the average Caymanian any great savings, Madam Speaker, I say the proof of that pudding is to wait until the heat of summer comes and we can then tell what the reduction is. Not from January to May, the coolest of months.

My contention in what I was saying a few months ago, Madam Speaker, is that there are hundreds of people, old, young, and those with children, who do not have electricity today. And I would have rather supported a move by the Government to take what they were losing in revenue and help the most-needy cases of our people and put them back on the grid! Take that money and give them back electricity, rather than saying that I, who maybe is better off and more able to pay that \$30 that came off, rather than him jumping up and saying how much he did for people when we have thousands of people without electricity now, I understand, so much so that the court is having to bring it up.

And he has the audacity to come here to try to insult me about I didn't do anything? What has he done? He hasn't done anything besides run around here talking about he's going to hit the ground running. And all he's done is to throw us all on the ground.

[Inaudible interjection]

Hon. W. McKeever Bush, Leader of the Opposition:
He's always done that.

[Inaudible interjection]

Hon. W. McKeever Bush, Leader of the Opposition:
Yeah, that doesn't do us any good.

[Inaudible interjection]

Hon. W. McKeeva Bush, Leader of the Opposition: Yeah, never mind about me dancing, I dance when I please to dance. And when you get to heaven you tell him your dancing is not going to be there. Okay?

[Inaudible interjection]

Hon. W. McKeeva Bush, Leader of the Opposition: You never mind about where I go. You just confess where you've been and what you do!

The Speaker: Members, please keep all comments through the Chair.

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

[Inaudible interjection]

Hon. W. McKeeva Bush, Leader of the Opposition: They are paying a lot of attention to me, Madam Speaker, everywhere I go. They are doing all sorts of things. But I know where they are at. I see them coming. And I have told him, this is not Ellio.

Madam Speaker, as I said, we certainly believe that a public utilities commission is needed. Not that they can't do something now. If he was so interested in doing something when they granted the licence, was that not a good time to hold their foot to the fire? Certainly, I would have said at that time that I want something out of this now. *You want this licence? Well, this is what I want.*

But you see, because they counted all of that as bad governance and when I would tell Dart or anybody else, *I will give you a concession, but I want parks for the country, I want all that I can get. I want land for cemeteries . . .* that's bad governance. That is not good. But they can't do that when they are granting a 25, 30 year licence. No, they make them walk away. *[Clapping]* Praise God they got a new licence.

In the meantime, Madam Speaker, Rome is burning. And I believe that the Government should use the Motion to say to the companies, *Look, the Legislative Assembly, all its Members, and the entire Government, want you to do something now. Do not wait until we get a public utilities commission. You, Mr. Company, need to show these Islands that you can do better, that you not only care about your bottom line, but because of your long years of doing business here you will work with Government and give some relief to the people of these Islands now.* No. He'd rather do what he did here just now.

I don't know what he was doing speaking on this in any event. Even though he is the Premier, he has enough Ministers. He doesn't need to speak any more. It's not like when we had four or five of us to do all that they are doing. No. But he's waving both hands in the air, *See me here. I'm here.*

Madam Speaker, in all this, in reading and listening, there has been one private citizen who has been very vocal in the matter. There may be others, but I did read from Mr. George Ebanks. I think we all know who he is. But he has been one of the leading proponents from within civil society who have been pressing for action to be taken by Government in regard to the issue of our fuel and gasoline prices. He has written numerous letters to the newspapers and appeared on our local radio talk shows to press the issue of fuel prices and transparency.

The truth is that I never heard anything from Government like I said. And I do not know. I heard the Minister this morning, but I know the Minister too. He knows how to protect his colleagues, about from the day they were talking in caucus, how to bring down fuel. I don't know if they were talking about bringing down fuel, but I know nothing was done for two years. And you never heard anything about a public utilities commission; never heard anything until I spoke about the fees.

[Inaudible interjection]

Hon. W. McKeeva Bush, Leader of the Opposition: Nah anything about *no, no. You had your say too.*

Madam Speaker, in January when we published this Motion and when Mr. Ebanks made some very, I think relevant articles in the various news media that I heard later (must have been a couple of days ago) about a public utilities commission, not quehey about it before that. Oh, I wouldn't doubt that they were talking about a reduction in the fuel, because they talked about that from the last budget. So I imagine they were talking about a reduction in fuel and how they could do it so they could beat up on me. I knew that's what they were saying.

But Mr. Ebanks wrote a letter which appeared in the *Cayman Reporter* of December 19-25 last year entitled, "[Price control legislation needed](#), Cayman Gasoline Prices unrealistic and unjustified!" In that article he contended that what was causing our local gasoline prices to be artificially inflated was the belief that our oil importers were themselves rigging their prices by first purchasing their bulk fuel on the open market and then having it stored in their own bulk storage holding tanks. And then, when the request comes in to resupply the smaller or regional customers like the Cayman Islands, they on-sell their own fuel from their profit centres at a price that they themselves set and that fuel is then sent out to us here in the Cayman Islands at an already market up profit margin. Thus, Madam Speaker, we are being price gouged. We are paying for (what the Member for East End hinted) the corporate greed of the large oil companies that can buy all the fuel they wish at rock bottom prices and then have it shipped and stored at their profit centres and then re-sell to us in the Cay-

man Islands at a mark-up that does not correspond to real market driven prices.

So, Madam Speaker, of course, once it reaches our South Sound, Jackson Point Terminal, it is transshipped to our local oil suppliers, ESSO, SOL and RUBIS, who then also add their own profit margin because it is sold to our local gasoline retail outlets. Thus, Madam Speaker, we are being exploited by having to pay for a price mark-up at their profit centres, and also once it is received here in Grand Cayman from them too. I think from reading what he was saying, that is why he contends (and I did ask him) that our local retail gasoline prices can be 121 per cent above what can be considered real market prices.

He did a second article, entitled "[Energy Regulation](#). Why it is time to regulate our energy sector and have a national energy policy." And that appeared in the issue of 16 January this year, again, in the *Cayman Reporter*. It was the subject of much feedback, as I understand, from within the community as to the soundness of the argument put forward. I know people talked to me about it; people were certainly reading it.

I do not wish to belabor the point, Madam Speaker, but in order to show and to prove that our local oil importers do not wish to disclose what they are paying for the fuel sold to us, we can say to the House that same individual, when I asked him, he filed a Freedom of Information request on 15 of January 2015, to the Government seeking fuel cost invoices from our fuel gasoline importers, ESSO, SOL and RUBIS, and any former companies from the years 2011 to present.

Madam Speaker, I think that request was denied as the oil companies claimed, among other things, that the disclosure of that information would reveal its trade secrets, and also the disclosure would destroy or diminish their commercial value. Also, that the record was subject to legal privilege. I understand that Mr. Ebanks has now requested an internal review as is provided under FOI Law. I am sure he can deal with that himself. But, Madam Speaker, I just wanted to mention this series of events to show that we are dealing with a group of companies that do not play by the rules of transparency, and that they could well be hiding a lot more than just trade secrets.

What they are hiding from us is the fact that we are being exploited by way of their unrealistic prices, because by the time we, the consumer, pay the gasoline at our retail pumps it has already been artificially inflated two times. That is price gouging. I think that is illegal. And we do have a¹ price gouging law. If the Government wanted to do something about it, Madam Speaker, they could. That is illegal, and we can act today to better scrutinise why our fuel prices

are some 121 per cent above what they ought to be. We do, Minister, have a price gouging law that you can go and do something with it. You don't need to wait until the Premier gives you the go ahead to do after he does his shenanigans around the place.

Madam Speaker, we in this legislature are cognisant of our duty to protect the rights and uplift the living standards of our people.

In the statement that the Premier referred to earlier, this now over-used cliché about "lag time" needs to be better understood. The much cost-burdened consumers should be enjoying lower prices well before a 75-day time lag. A question that needs to be asked is why there is no lag time whenever the fuel prices increase!

Research has shown that in every instance since 2011, Madam Speaker, whenever oil and fuel prices increased globally, within a matter of three weeks the oil and fuel prices were reflecting those global increases at our Jackson Point Terminal and at our retail gasoline outlets. That, again, is another reason why Government should accept the Motion now before the House and let us work together to, once and for all time, endeavour to solve that mystery because something has to be wrong with a pricing formula that allows our people to wait months to enjoy any global fuel price reduction, but any price increases are seen within two to three weeks.

Madam Speaker, for the sake of clarity and fairness, I wish to spend a little time on a matter that was contained in the Honourable Premier's statement about him and his duty reduction. I trust that the PPM Government is not saying that their action alone has contributed to a reduction in our utility bill. Madam Speaker, since January 1, 2014 and December 31, 2014 the price of oil and diesel fuel has decreased by some 68 per cent. The main driver for the reduction in the monthly CUC utility bills that we are now seeing is due to the global oil glut and its result on price reduction. In fact, the Premier confirmed this fact in his statement when he says, and I quote, "**The price of electricity for May bills is projected to be 25.63 cents per kilowatt hour for residential consumers, a 26.9 per cent reduction since the September peak. Of this, 16.2 per cent is attributable to this Government's duty reduction.**"

He then went on to say, and I quote, "**Next month consumers should be able to compare their September 2014 electricity bills when the average household's electricity bill was approximately \$350.70,**" (If he thinks that's average, he better check that out again) "**to their May bill, when the average household's CUC bill is projected to be about \$256.30.**"

Madam Speaker, the Premier himself admits that his theory is misguided because he admits that of the 26.9 per cent price reduction in the average household utility bill only 16.2 per cent is due to the diesel duty reduction. What he did not say very clear-

¹ Price Gouging Control (Emergency Circumstances) Law

ly, and what I need to know now to make abundantly clear, is that 60.22 per cent of the average CUC utility bill reduction is due to the fall in global oil and fuel prices since January 2014.

Madam Speaker, the Premier was quite misleading, because, if truth be told of the monthly CUC utility bill reduction . . . and when I asked him, you know, he quickly calculated \$94.00. I kept thinking about it, and said, *That can't be right. That's not coming down that much because of what they did.* And he did not do anything to correct it, and I did not ask another subsequent question. But I figured it out, and I got an accountant to look at it for me to see if that was right. So, he proudly boasted that by his calculations, [it was] \$94.40. It is \$37.50 is what we can give the reduction by Government's action. The majority of the fuel price reduction has absolutely nothing to do with them, but is solely due to global events by way of fuel and oil price reductions.

So, Madam Speaker, my Motion is again most timely as it speaks to this issue from another angle and endeavours to find other ways to give further price reductions to the average motoring public and our utility consumers by way of obtaining actual cost price from our two fuel importers.

So, Madam Speaker, I saw the Deputy Leader grinning when that answer was given, when the Minister was doing his political tinkering. I saw the Member for Cayman Brac and Little Cayman laughing. I had to wonder, *Is he laughing at me? Or is he laughing at the Premier? Or is he laughing at the fact that his entity in Cayman Brac is not losing anything.* I wonder what it was all about. I didn't know.

[Inaudible interjection]

Hon. W. McKeever Bush, Leader of the Opposition: Well, you go tell him how much of a beating he deserves.

[Laughter]

Hon. W. McKeever Bush, Leader of the Opposition: Our people are paying artificially inflated diesel and gasoline prices because our oil and fuel importers set their own prices. Prices, I might add, Madam Speaker, that do not mirror real market prices. And if the PPM Government and their coalition partners want to deliver to the people of these Islands real gasoline and diesel price reductions, they would support the Motion now before this honourable House and take the price gouging law and go down to RUBIS, to TEXACO and ESSO and SOL and say, *See here? This is the law. This is the law! We are not waiting on anything; we want it now.*

If, Madam Speaker, all that the Minister said today is true, that he feels and that he is going to do something, he does not need to wait until he gets a bureaucracy to do it. He does not need to do so! But,

you see, Madam Speaker, they might be remembering what the two of them did when I passed that price gouging law. The Premier and the Minister, they might remember pounding their foot on me for doing so. That is what they do not want to grab at. They cannot really take a red sheet, the PPM colour, to throw over it quickly and say, *We did this.* They can't do that!

That is how they operate business in this country. It has to be that they did it; the Cayman Islands had nothing until they came on board. In fact, some of us weren't born because they were born before us. Yes, right.

[Inaudible interjection]

Hon. W. McKeever Bush, Leader of the Opposition: Sure they could.

So, Madam Speaker, the price of oil is at the lowest globally since 2009 and we should be enjoying better prices here also. Sadly, Madam Speaker, we are not. And you know why? Through those kinds of attitudes you heard from the—

[Inaudible interjection]

Hon. W. McKeever Bush, Leader of the Opposition: You know, Madam Speaker, nobody has to think in any way that they can play with my mind. You see? I never born 60, you know. I got this way, and I have plenty from standing right there, learning and seeing how they cajole and things that they do; just like they are doing now. That has not gotten us anywhere! Hear me—it has not gotten us anywhere. And that is why you are having a pretty good time in Government. Hard time!

You are lucky you're not moved yet.

Madam Speaker, I would have hoped that Government would have seen the value with what legislation they have, that they would attempt to make an effort. And even if they do not pass the Motion, I did not expect to get it passed. I do not bring anything here expecting that they are going to willingly do anything. The only time I heard that was when he didn't want the one man, one vote and I saw the four of them huddled out there saying, *McKeever was right.* Can you imagine the hypocrisy? McKeever was right, because then he realised when he put that one man, one vote, and he doesn't have Kurt to drag him in, he is going to suffer at the polls for his worthlessness that he carries on.

Madam Speaker, I did not expect to get it passed. But what I expect, and I hope, is that the Minister responsible for oil companies, the Minister responsible for electricity generation, the First Elected Member for George Town, the Minister of Works, will look at it again and look at the price gouging law, since we all admit here now, that that is what it is. Understand this, Members, when you vote against this. You all admitted. They didn't say price gouging, I said

it. But what they said amounted to the same thing. So you should go in the next caucus and say, *Here is the law!* Go get the law, look at it and say, *Mr. Tibbetts, Mr. Premier, could this not work? Should you not be doing this?*

Thank you, Madam Speaker.

The Speaker: The question is: BE IT THEREFORE NOW RESOLVED that Government immediately consider a multi-faceted approach to bring cost relief to the people of the Cayman Islands by the following steps:-

1. Undertake to draft the necessary enabling legislation towards a suitable Energy and Fuel Sector Law. That while such legislative drafting is taking place, Government further immediately undertake the following:-

- (i) Cause to be obtained from our gasoline/fuel suppliers actual costs documents for each shipment of gasoline/fuel imported into these Cayman Islands;
- (ii) Cause to be conducted a forensic audit to verify the accuracy of these documents against actual underlying Market prices for these identical products on the open Commodity markets;
- (iii) Cause to be amended or effected the necessary changes to strengthen the office of the Petroleum Inspectorate to be granted sufficient legal powers; inclusive of subpoena powers, to effectively manage the gasoline/ fuel suppliers and the various retail outlets to ensure market prices plus a reasonable and verifiable markup is passed onto the general public and the Cayman Islands as a whole.

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

AYES and NOES.

The Speaker: The Noes have it.

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

Madam Speaker, can we have a division please?

The Speaker: Madam Clerk, please call a division.

The Clerk:

Division No. 29

Noes: 9

Hon. Alden McLaughlin
Hon. D. Kurt Tibbetts

Ayes: 4

Hon. W. McKeeva Bush
Mr. Bernie A. Bush

Hon. Marco S. Archer
Hon. Tara A. Rivers
Hon. Anthony S. Eden
Mr. Winston C. Connolly, Jr.
Mr. Roy M. McTaggart
Mr. Joseph X. Hew
Mr. Alva H. Suckoo

Mr. D. Ezzard Miller
Mr. V. Arden McLean

Absentees: 4

Hon. Moses I. Kirkconnell
Hon. Osbourne V. Bodden
Hon. G. Wayne Panton
Capt. A. Eugene Ebanks

The Speaker: The result of the division: Ayes, 4; Noes, 9; and 4 absent.

The Noes have it.

Negated by majority on division: Private Member's Motion No. 16/2014-2015 - Verification of Gasoline/Fuel Cost failed.

The Speaker: Honourable Premier.

ADJOURNMENT

The Premier, Hon. Alden McLaughlin: Madam Speaker, before I move the adjournment, I think Members are asking for an indication as to when the budget will come. We are aiming (and I am careful in saying that) for the 15th of May. But we should be able to confirm that early next week.

Madam Speaker, I move the adjournment of this honourable House sine die.

The Speaker: I recognise the Member for North Side, who has made a request under Standing Order 11.

Mr. D. Ezzard Miller: Madam Speaker in accordance with Standing Order 11(6) and 11(7) I wish to raise a matter of National Importance.

RAISING OF PUBLIC MATTER

[Standing Order 11(6)]

GEORGE TOWN HOSPITAL EMERGENCY CARE, WAITING TIME

Mr. D. Ezzard Miller: Madam Speaker, in accordance with Standing Order 11(6) and (7), I wish to raise a matter of national importance. Thank you allowing me to raise this matter.

Madam Speaker I had reason to attend the Emergency Room at the George Town Hospital last night to seek attention for my seven month old daughter. Let me make it clear, Madam Speaker, this is not about me and my daughter. Thank God I had the resources and the knowledge to provide other modalities of treatment for my daughter. So this is not about me and my daughter.

I arrived at the Emergency room at approximately 7:45 pm and was promptly attended to by the clerk, a young man who was very professional and respectful, not only with me but other patients who came after me.

I was seen by the triage nurse promptly within five minutes of completing the registration process. The nurse was also very professional and respectful.

When I returned to a seat in the waiting room I inquired of a friend seated next to me how long she had been waiting, and her response shocked me when she replied about an hour, but the lady with a four month old child said she had been there since 5:00 pm.

There were six patients (two adults and four children) in the waiting room when I arrived.

The first hour passed, and although it was obvious to me that certain children were in pain, not a single patient was seen by a doctor. There was no communication by any doctor or nurse as to the cause of the delay.

During the second hour, two children were seen by the doctor, the lady who had waited since 5:00 pm and my friend.

During the next half hour one patient was called to see the doctor.

I left the Emergency room after waiting two and one half hours without seeing the doctor, as the indication by the speed at which the doctors were seeing patients I would have to wait another two and a half hours as there was still three patients in front of me.

Madam Speaker, this, in my opinion, is highly unsatisfactory as this is not the 1970s when there were only three doctors at the hospital and they took turns being on call. Even in those lean times the target for treating walk-in emergency patients was fifteen minutes.

On Wednesday April 15, the Premier, as Minister of Health, tabled the 2012 Financial Accounts for the Health Services Authority which manages and operates the George Town Hospital. The accounts, which contained some information that was shocking to me, say the HSA is spending \$90 plus million to operate a 120-bed hospital or C1\$750,000.00 per bed, so there can be no excuses for poor service concerning lack of resources.

The HSA is spending \$49.7, almost \$50 million on staff or \$416,000 per bed in a hospital that is only spending \$10.6 million on Medical and Surgical supplies. This is the same hospital that was being operated a decade ago with a budget of \$30 million to 40 million, there is no evidence in the financial report that the patient load has doubled.

Madam Speaker, something is alarming about these figures, but as you are aware, under the Standing Orders that govern this House, I cannot ask questions of clarity, or otherwise, when these financial reports are laid on the Table by Ministers. I will have to

wait to see if the Public Accounts Committee (PAC) reviews these financials and makes any recommendations to the Government to adopt which would then generate debate.

Madam Speaker I am asking the Government to investigate the reason for the long delay in receiving treatment at the Emergency Room at the George Town Hospital, and a commitment to require the HSA Board to reduce this waiting time to something more acceptable to the public utilising this facility.

Madam Speaker I raised this matter on the adjournment some four years ago and unfortunately it appears to have gotten worse.

The Speaker: Honourable Premier.

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

The Member mentioned this to me informally this morning and I have sought to try to get some information with respect to it. I hope, Madam Speaker, it will be permissible for me to just read from my smart phone because I have not had a chance to get hard copies of this, and I am not I would want to circulate all of this anyhow.

What I have, which I will read, is a response from the Clinical Head of Accident, Emergency and EMS and the Acting CMO, who is Dr. Elizabeth McLaughlin, as well as a response from Mrs. Lizette Yearwood who is the CEO of the HSA. I will read to the House what I think are the relevant excerpts from those emails.

This is from Dr. McLaughlin:

"Sorry for the delay as this took a bit more digging. In summary, due to a limb threatening emergency" (this is yesterday evening) "one ER physician was attending to a sole patient from 5:00 pm to 7:30 pm, leaving three physicians available until 6:00 pm, and two thereafter, to tend to the emergencies and walk-in urgent care-type patients. Between 5:00 pm and 9:00 pm, 27 patients registered to see a physician. The patient in question" (that is the Member for North Side's daughter) "was number 26 of 27. Some of these patients would have been seen before the arrival of the 27th patient. The patient concerned registered at 8:38 pm. The vitals at the time of triage at 8:45 pm were within normal limits. There was no indication at time of triage of a life-threatening emergency. When the physician called the patient" (that is, the Member for North Side's daughter) "at 10:52 pm there was no response." [UNVERIFIED QUOTE]

And then, from Mrs. Lizette Yearwood: "Further to your request, please see Dr. McLaughlin's response below" (which I just read). "As you can see, the higher acuity of patients . . ." (and they went into a list about acuity which I didn't bother with because I don't understand the detail, I haven't had a chance to consider it; and I am not sure that will benefit the House.) But what she says in terms of the analysis of

it is: "As you can see, the higher acuity patients did not have excessive waiting times. However, usually in cases where waiting times are in excess of four hours, we try to get a doctor to come in on overtime to clear up the backlog. Unfortunately, yesterday evening we had two doctors out sick and another one that had already worked long over time hours. Nevertheless, if it were a case of high acuity patients, or in the case of a mass emergency, we would have pulled a doctor from the shift this morning to come in, but that was not the case.

"We are in the process of addressing the large number of urgent care patients in the emergency room, and, as of 1 July we plan to hire two additional doctors in the general practice clinic to increase the capacity there, which will hopefully reduce the number of urgent care patients going to accident and emergency. The aim is to monitor this service for one year with a view to expanding the urgent care service when we can identify and acquire the space and resources." [UNVERIFIED QUOTE]

Madam Speaker, a big part of the issue in Cayman and the system we have is that the emergency room is not used only for cases of genuine emergency; it also functions as an urgent care facility. And the cases which are truly emergencies in nature, always get priority, and properly should, over the urgent care cases. So, persons who come in, in some distress, but who, having been triaged, are not assessed as being in a life threatening situation, gets put back while they seek to address what they have determined to be the truly emergency cases.

As Mrs. Yearwood has pointed out, steps are being taken to try to step up the ability to deal with urgent care cases and to free up the emergency room for what are truly emergency cases.

Madam Speaker, as the Minister of Health, I do apologise on behalf of the HSA to the Member for what was clearly a significant wait, and would have been a significant wait even if he had stayed around until 10:52 pm, and to say that we are conscious, even before I took over as Minister, of the situation and are working to try to address it. I do not know that there is any more I can say.

The Speaker: Can I have a motion for the adjournment?

The Premier, Hon. Alden McLaughlin: I moved the motion already, Ma'am—Sine die.

The Speaker: Thank you.

The question is that this House do now adjourn sine die.

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

AYES.

The Speaker: The Ayes have it.

Acknowledgement of Former Speaker of the House, Hon. Mary J. Lawrence, MBE, JP

The Speaker: Before actually saying that the House is accordingly adjourned, I want to acknowledge the presence of the former Speaker, the Honourable Mary Lawrence and extend to her an open welcome to view the proceedings of the Parliament.

At 4:18 pm the House stood adjourned sine die.