



**CAYMAN ISLANDS
LEGISLATIVE ASSEMBLY**

**OFFICIAL HANSARD REPORT
ELECTRONIC VERSION**

2015/16 SESSION

28 May 2015

*Seventh Sitting of the First Meeting
Throne Speech and Budget Address
(Pages 221-256)*

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

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PRESENT WERE:

SPEAKER

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

MINISTERS OF THE CABINET

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

EX OFFICIO MEMBERS OF THE CABINET

Hon Franz I Manderson Cert. Hon., JP	<i>Deputy Governor</i> , ex officio Member responsible for the Civil Service
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ELECTED MEMBERS

GOVERNMENT BACKBENCHERS

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

OPPOSITION MEMBERS

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

INDEPENDENT MEMBERS

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

APOLOGIES

Hon Samuel Bulgin, QC, JP	<i>Attorney General</i> , ex officio Member responsible for Legal Affairs
Mr Joseph X Hew, MLA	Sixth Elected Member for George Town

**OFFICIAL HANSARD REPORT
STATE OPENING AND BUDGET
2015/16 SESSION
THURSDAY
28 MAY 2015
10:45 AM
Seventh Sitting**

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

The Speaker: Good morning. I will invite the Honourable Minister of Finance to grace us with prayers today.

PRAYERS

Hon. Marco S. Archer, Minister of Finance and Economic Development: Good morning, let us pray:

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

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

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

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

The Speaker: Please be seated.

READING BY THE HONOURABLE SPEAKER OF MESSAGES AND ANNOUNCEMENTS

APOLOGIES

The Speaker: I have received apologies for absence from the following Members:

The Member for East End is attending the funeral for his mother-in-law; Councillor Joseph Hew, is out of the jurisdiction; the Honourable Attorney General, is ill; the Honourable Deputy Governor; and Councillor Suckoo has a medical appointment. I also give apologies for our Clerk, Ms. Zena, who has been asked to attend a meeting at the Government Administration Building.

QUESTIONS TO HONOURABLE MINISTERS AND MEMBERS OF THE CABINET

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

QUESTION No. 12: GOVERNMENT FINANCIAL ASSISTANCE—CRITERIA TO QUALIFY FOR

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

I beg to ask the Honourable Minister of Community Affairs, Youth and Sports, Can the Honourable Minister state what is the criteria to qualify for financial assistance from the Government?

The Speaker: Honourable Minister of Community Affairs, Youth and Sports.

Hon. Osbourne V. Boddan, Minister of Community Affairs, Youth and Sports: Good morning. Thank you, Madam Speaker.

The Government offers temporary and long-term financial assistance, also referred to as "relief", to persons in need as per the Poor Persons (Relief) Law (1997 Revision) via the Needs Assessment Unit (NAU).

In the Law, "relief" is defined as "...the relief given...to needy, destitute and sick persons out of such moneys as may be annually voted by the Legis-

lative Assembly for that object, and includes all burial expenses”.

Families with children who are unable to meet their basic needs (i.e., food, shelter) are treated as priority. The criterion to qualify for both temporary and long-term financial assistance is as follows:

1. Persons seeking temporary financial assistance must: a) be Caymanian or dependents of a Caymanian; and b) have a monthly household income of CI\$3,000 or less.

Financial assistance given on a temporary basis is limited to an initial maximum period of three months. If the client requires an extension, the case shall be reassessed to determine eligibility for an extension of services for up to an additional three months. Persons seeking temporary financial assistance for a period over three months are subject to bank checks at all commercial banks in the Cayman Islands. The maximum allowance of temporary financial assistance per client within a twelve month period is \$10,000 with a lifetime cap of \$50,000.

2. Persons seeking long-term assistance, beyond the time limits of temporary assistance:

- a) Must be Caymanian or dependents of a Caymanian.
- b) Must have a monthly household income not exceeding \$2,000.
- c) In cases where the person is seeking help due to ill health or disability, a medical certificate is required.
- d) Must have a letter of verification from place of employment.
- e) Must have copies of bank statements and utility bills.
- f) Must have other sources of income including rental properties, family contributions, maintenance payments, other pensions/social security and/or regular contributions from churches or service clubs.
- g) Must have land checks with Lands and Survey to verify property ownership (applicants are required to provide a copy of land ownership papers where they own property).
- h) Bank savings must not exceed \$8,000.

It should be noted that currently the Ministry is drafting regulations to accompany the Poor Persons (Relief) Law (1997 Revision) in order to update the legal framework for financial assistance.

SUPPLEMENTARIES

The Speaker: Elected Member for North Side.

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

In point 2(g)---What is the purpose of the land checks with Lands and Survey? Why do we need

to know the property ownership? Is it because you intend to charge the property, or are you looking just for confirmation of residence?

The Speaker: Honourable Minister of Community Services?

Hon. Osbourne V. Bodden, Minister of Community Affairs, Youth and Sports: Thank you, Madam Speaker.

In times gone by, Government used to put liens on property. That ability is still there, but at the moment we do not do that. So, the purpose of the land checks now is to basically show value, to show the wealth of a particular individual as to whether we can say, *Can such-and-such property be disposed of for you to be in a better position?* I think that is really what it is all about now.

The Speaker: If there are no further questions, we will move on to the next one.

Elected Member for North Side.

QUESTION No. 13: GOVERNMENT FINANCIAL ASSISTANCE—NUMBER OF PERSONS RECEIVING

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

I beg to ask the Honourable Minister of Community Affairs, Youth and Sports the following question: Can the Honourable Minister state how many persons currently receive financial assistance from Government broken down by age, district of residence and nationality?

The Speaker: Honourable Minister of Community Affairs.

Hon. Osbourne V. Bodden: This answer is quite detailed in terms of figures, so I just ask everyone to follow along.

The number of persons currently receiving temporary financial assistance from Government is as follows:

1. By Age

Age	Families	Persons Served
0 to 17	112	372
18 to 25	113	297
26 to 49	434	1,293
50 to 59	168	371
60 and over	322	570
TOTAL	1,149	2,903

2. By District of Residence

District	Families	Persons Served
Bodden Town	208	594
Cayman Brac	93	206

East End	45	123
George Town	458	1,135
North Side	61	148
West Bay	284	697
TOTAL	1,149	2,903

3. By Nationality

Nationality	Families	Persons Served
Caymanian	840	2,136
Caymanian Status	260	627
Dependent of Caymanian	13	43
Dependent of Caymanian Status	6	16
Spouse of Caymanian	25	71
Permanent Resident	4	7
Dependent of Permanent Resident	1	3
TOTAL	1,149	2,903

The Government also provides long term financial assistance to 889 persons, mainly the elderly and persons with disabilities. Additionally, the Government is financially contributing to the placement of 29 persons at the Pines Retirement Home.

At this time, the Needs Assessment Unit is unable to provide a similar statistical breakdown for long-term financial assistance. The Unit, however, is currently working on a new database that will better capture the necessary data for reporting purposes.

SUPPLEMENTARIES

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

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

To the Honourable Minister: Just to be clear, your answer provides for the question “on a temporary basis” and all the 2903 persons are temporary. The 889 are the elderly and so on, that are long term. Further, Madam Speaker, how many applications are in for grant of assistance on a temporary and long-term basis?

The Speaker: Honourable Minister of Community Affairs.

Hon. Osbourne V. Bodden: Madam Speaker, if you would allow me time to consult with staff . . .

The Speaker: Most certainly.

[Pause]

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

The Speaker: I will recognise the Honourable Premier to move the suspension of Standing Order 23(7) and (8) as we have reached the hour of 11:00, to allow questions to continue beyond that time.

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

I move the suspension of Standing Order 23(7) and (8) in order that Question Time may continue beyond the hour of 11:00.

The Speaker: The question is that Standing Order 23(7) and (8) in order that Question Time may continue beyond the hour of 11:00.

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

AYES.

The Speaker: The Ayes have it.

Agreed: Standing Order 23(7) and (8) suspended.

The Speaker: I recognise the Honourable Minister of Community Affairs.

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

The answer to the question by the Leader of the Opposition is that there are about 250 persons waiting for long term financial assistance applications to be dealt with. On the temporary assistance side, because the NAU is rapidly getting up to speed, they are processed as they come along and are pretty much sorted out within a couple of weeks so there is no real list, as such.

The Speaker: Honourable Leader of the Opposition.

Hon. W. McKeeva Bush, Leader of the Opposition: Thank you, Madam Speaker, and I thank the Minister. Can he say whether he has . . . how long? I know some people have to put in for a long time. Can he say how long have these 250 people been waiting?

The Speaker: I recognise the Honourable Minister of Community Affairs.

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

Again, Madam Speaker, please bear with me.

[Pause]

Hon. Osbourne V. Bodden: Madam Speaker, the answer is that we could have some people that have been waiting as long as three years because of restrictions placed on the budget. No one else could be added. But we now have enough funding to add another 60 in the new budget year, so that figure will gradually come down.

The Speaker: Honourable Leader of the Opposition.

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

I understand that there are restrictions on budget, whether that is set locally or by the Foreign Office, but when he says there are restrictions, can the Minister say whether it was their own restrictions or the restrictions on the budget as set or agreed with the Foreign Office?

The Speaker: I recognise the Honourable Minister of Community Affairs.

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

The budget as agreed by the Foreign and Commonwealth Office is an overall figure. What we compete for within budgets for ministries is set by us, so that is the situation.

The Speaker: Elected Member for North Side.

Mr. D. Ezzard Miller: Thank you.

Madam Speaker. Given the answer to the previous question as to the criteria for long-term assistance, how is it possible that we have permanent residents and dependents of permanent residents receiving assistance from government?

The Speaker: I recognise the Honourable Minister of Community Affairs.

Hon. Osbourne V. Bodden: Please bear with me, Madam Speaker.

[Inaudible interjection]

Hon. Osbourne V. Bodden: Thanks, Madam Speaker, for your indulgence.

The answer is that there are four people in that category; one is a child, one is a mental health—

[Inaudible interjection]

Hon. Osbourne V. Bodden: On the last page, seven and three. That is what you are talking about. Okay.

[Inaudible interjection]

The Speaker: By way of procedure, could I please request of the cameraman to keep the camera on the Chair when Members are not speaking? Thank you.

Hon. Osbourne V. Bodden: Okay, my apologies. It was not four individuals, it was four categories. The four categories for these 10 persons are children, mental health patients, Pines residents, and a domestic violence case. I do not have the breakdown of the 10, but those are the 4 categories that those 10 fall into.

The Speaker: Elected Member for North Side.

Mr. D. Ezzard Miller: Thank you.

Madam Speaker, again, given the criteria for long-term assistance, as in the last question, and the ability of the land checks, I believe, subject to correction, that it appears in the 2015/16 budget allocations that addition to close to a million dollars in subsidy to the Pines, the Government seems to be paying somewhere in the region of 62,000 per year for these 29 persons at the retirement home. Can the Minister say whether these people, having been identified as property owners, if Government is making any attempt to charge the property for the Pines Retirement Home with the ability of the family to pay it off or sell the property to recover some of the funds?

The Speaker: Honourable Minister of Community Affairs.

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

The Member is right. The expense of the Pines residence is significant. The fees have risen on that and there are individual cases that can be as high as \$6,000 per month. So, we have to, going forward, certainly it is something as a new Minister I have found. We have to look at it and find ways of using what people have as possessions, because the Government can only carry so much of a load and right now the Pines has been crying out to us for more funding because they feel that we are not up to paying the value for what they are offering at this point. So that is an issue that will definitely be a hot item, as it were, and be discussed amongst colleagues as soon as possible going forward.

The Speaker: Elected Member for North Side.

QUESTION NO. 14: NEEDS ASSESSMENT UNIT, NUMBER PROCESSED DAILY

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

I beg to ask the Honourable Minister Community Affairs, Youth and Sports the following question: Can the Honourable Minister state what is the aver-

age number of persons processed daily by the Needs Assessment Unit for financial assistance?

The Speaker: Honourable Minister of Community Affairs.

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

The average number of persons processed daily by the Needs Assessment Unit for financial assistance is in the range of 8 to 11 persons. These numbers includes emergencies, indigent medicals, temporary financial assistance and long-term financial assistance.

SUPPLEMENTARIES

The Speaker: Elected Member for North Side.

Mr. D. Ezzard Miller: Madam Speaker, it is my understanding that having closed the Unit in Bodden Town which dealt with Bodden Town, North Side and East End, that those residents now have to travel to George Town. Some of them try to leave home 4:00 in the morning. I don't know what is going to happen to them when we go to Daylight Savings Time; they will have to leave home at midnight. And I understand that regardless of how many people are in line, they only allow 10 people or a maximum (here) of 11, to come through the door. Why is that? And what happens to the other people that are left in line?

The Speaker: Honourable Minister of Community Affairs.

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

The situation which obtains was put in place because of the very difficult situation that the Needs Assessment Unit found itself in being severely understaffed. As we beef up the resources there, we are hoping that the system will improve. As it stands, those folks that come and do not get in, then, they fall away to come another day, under the walk-in system. If there is an appointment, then, that appointment is set and the person keeps that appointment and sees an officer. But the folks that the Member is talking about are what we call the "walk-in clients" and it is on a first come, first served basis. If you don't make it into that number, keep trying. I know it can be very difficult for elderly people or people without good transportation or whatever. It is certainly not an ideal situation, but that is what obtains at the moment. We are looking into improving the overall situation and maybe even modifying that system. But that is what obtains.

The Speaker: Elected Member for North Side.

Mr. D. Ezzard Miller: Madam Speaker, can the Minister say how the staff determines that number 12, 13, 14 in line is not a medical emergency?

The Speaker: Honourable Minister of Community Affairs.

Hon. Osbourne V. Bodden: Thank you, Madam Speaker. I will have to consult on that point.

[Pause]

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

The process as I understand is that everybody is there and the officer checks the entire group, finds out the elderly, the emergency situations, and those are separated out, and then the others are dealt with on a first come, first served basis. That's the way they operate at the moment.

The Speaker: Elected Member for North Side.

Mr. D. Ezzard Miller: Can the Minister say what the average lead time is for appointments? In other words, if I went there today, when am I likely to get an appointment?

The Speaker: Honourable Minister of Community Affairs.

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

We are up to September now, I am informed, if it is a nonemergency. So, I guess we are looking at a three month, four month lead time for an appointment.

Madam Speaker, just to repeat, this is really because of the severe lack of in that the department. We are looking to beef it some more in the new budget and we should see an improved service over all.

The Speaker: Elected Member for North Side.

Mr. D. Ezzard Miller: Madam Speaker, can the Minister say if there is a relationship maintained between the Needs Assessment Unit for indigent medicals and the HSA? And if there is, what is that relationship and how is it handled?

The Speaker: Honourable Minister of Community Affairs, it is slightly on the border of being outside the scope of the question, but if you can wish to answer it.

Hon. Osbourne V. Bodden: Thank you, Madam Speaker, let me check.

Madam Speaker, the way that is handled is that the Needs Assessment Unit does their assessment as they do for everyone and then the Depart-

ment of Children and Family Services will then refer that list to the Ministry. So that is the way that is handled. And just to come back to my earlier answer on the services on something that we may wish to consider going forward, and I will certainly be discussing this, is that it might please the Member to hear that if we maybe take a day out of the week that we deal with the outer districts, dedicate that to them and, maybe that could be an interim measure.

The Speaker: One last supplementary from the Elected Member for North Side.

And I also wish to welcome back the presence of the Member for East End.

Member for North Side, please continue.

Mr. D. Ezzard Miller: Madam Speaker, again, dealing with the indigent medicals, is their relationship with CINCO? And, if so, what is that relationship? Or is that handled by Children and Family Services through the Ministry?

The Speaker: Honourable Minister of Community Affairs.

Hon. Osbourne V. Bodden: Bear with me, Madam Speaker.

[Pause]

The Speaker: Honourable Minister.

Hon. Osbourne V. Bodden: Thank you, Madam Speaker. I thought I had this right but I just wanted to make sure with my Chief Officer.

The Health Insurance Law allows the Minister, through confirmation, to declare the indigent category. So, it is not really a CINICO matter. It is dealt with from DCFS through to the Ministry.

Mr. D. Ezzard Miller: But it is funded separately?

Hon. Osbourne V. Bodden: And then . . . yeah.

The Speaker: We will move on to the next item of business, there being no further supplementaries.

STATEMENTS BY HONOURABLE MEMBERS AND MINISTERS OF THE CABINET

PROTECTIVE AND PREVENTATIVE MEASURES TO ADDRESS CHILD ABUSE

The Speaker: I recognise the Honourable Minister of Education.

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

The issue of child abuse, especially sexual abuse, is a real concern. According to the "Report on the Adolescent Health and Sexuality Survey, Cayman Islands 2013" conducted by the Pan American Health Organization (PAHO) and the World Health Organization (WHO), the incidence of sexual activity and abuse of our children highlighted is very real and very disturbing. The effects of child sexual abuse include behavioral, cognitive and psychological effects. Substance abuse, eating disorders, low self-esteem and suicidal thoughts and self-harm actions can occur as a result of child sexual abuse. Addressing these serious health issues will require a multi-pronged approach involving many ministries, government departments/agencies and the wider society as a whole.

I wish to update this honourable House on the work of the Ministry of Education, Employment and Gender Affairs to address issues surrounding child protection and at-risk youth in government schools. The Ministry does a lot of work in this area; however, I will limit my focus on the work done as it relates specifically to child sexual abuse identification, intervention and prevention.

For the past eight years, Hedge Funds Care [HFC] Cayman has generously provided the Ministry of Education with grants to support initiatives aimed at child abuse and neglect education, prevention, research and training. Hedge Funds Care, also known as Help for [Children], is an international charity, supported largely by the hedge fund industry, whose sole mission is the prevention and treatment of child abuse. I wish to publically thank Hedge Funds Care (HFC) Cayman for their continued support of our children and the work of the Ministry in this regard.

For the past five years, thanks to funding from Hedge Funds Care Cayman, the Ministry of Education has been offering Darkness to Light [D2L] Stewards of Children (currently the five steps to protecting our children) training to school personnel. The ultimate mission of the Darkness to Light movement is to end child sexual abuse, and this can only be accomplished by sharing the solution of prevention, awareness and education with more and more people. This, in turn, builds momentum and over time, changes the way our nation and culture of care for, protects, and nurtures our children. Learning the facts about child sexual abuse, talking about it and getting involved in prevention and awareness helps to prevent it.

Child sexual abuse is an adult responsibility! Darkness to Light empowers adults through awareness and educational programmes to prevent, recognise, and react responsibly to child sexual abuse. For this reason, it is a requirement that all teachers employed in government schools receive this training. As a result of a policy decision taken earlier this year, private schools are now also expected to provide their

teachers with Darkness to Light training or another Ministry approved training. This is outlined in the purchase agreement with private schools for 2015/16 Financial Year. Additionally, training is offered to all early childhood care and education centres.

Since May 2013 (since we took office), 27 training sessions have been delivered to government teachers, private school staff, the Extended After-School Programme staff, early childhood centres, Pastoral Support Workers, volunteers and community members. Approximately 450 people have been trained in the last two years.

The Ministry of Education, Employment and Gender Affairs is a key partner of the Cayman Islands Red Cross led multi-agency "Protection starts here" project, which has been working to not only raise awareness of the issue of child sexual abuse, but also focusing on the need for adults to take greater responsibility for the protection of children. The Ministry, in conjunction with other community partners, such as the Cayman Islands Crisis Centre, Family Resource Centre, Estella Scott Roberts Foundation, Department of Children and Family Services, Health Services Authority, National Drug Council, and the RCIPS Family Support Unit, among others, have embarked on a joint effort to deliver this campaign which was initiated and led by the Cayman Islands Red Cross to raise awareness and take meaningful steps to fill in the gaps identified in child sexual abuse prevention and education.

This began as a public service announcement campaign and evolved into a project with the objectives of:

- 1) Tackling child sexual abuse in a meaningful, thought provoking and honest manner.
- 2) Empowering parents, teachers, caregivers and other concerned adults with information on child sexual abuse of what it is, how to identify it, what to do. Providing information on how reports are handled and what the available resources are, and how to talk to children about it.
- 3) Educating volunteers in non-profit/charitable organisations that work with youth to help build the awareness of child sexual abuse and look at their practices more critically.
- 4) Spearheading the effort to get these same organisations to develop and implement child safety policies; and
- 5) Developing a child sexual abuse prevention education tool directed at young people.

The Cayman Islands Red Cross has produced and continues to distribute a multimedia tool (DVD) which helps those agencies and organisations who work to educate and prevent child sexual abuse—as

well as parents/guardians/teachers and other adults who are responsible for children—by standardising the way which we talk about child sexual abuse on a national level. The DVD tool is a compilation of interviews, presentations, public service announcements, and other key information to the education and prevention efforts of child sexual abuse in the Cayman Islands. School counsellors and the Senior Policy Officer for Gender Affairs participated in the interviews for this DVD tool. This DVD tool is utilised in conjunction with the Darkness to Light training, as it provides a local context to the issue of child sexual abuse.

Currently, there are no national standards for youth-serving organisations in the Cayman Islands, which are a major risk factor and serves only to empower perpetrators of child abuse. The Cayman Islands Red Cross "Seal of Protection" initiative, which my Ministry is also a part of, is an effort to identify, verify and recognise those organisations and institutions which are putting necessary safety measures in place for the protection of children, including:

1. Mandatory Criminal history records
2. Written policies and procedures on the following:
 - a. mandatory reporting and how to report;
 - b. recruitment process (interviewing, references);
 - c. interaction with youth/guidelines for day to day and other extraordinary circumstances; and
 - d. code of conduct.
3. Darkness to Light training for staff and volunteers
4. Recertification of Darkness to Light training every two years
5. First Aid Training for percentage of staff

The "Talking About Touching" programme is currently being delivered in the public/primary schools and includes developmentally appropriate teaching techniques to help children learn safety skills, such as refusing and reporting unsafe touches, as well as basic safety skills (i.e., for cars, bikes, and fire) and the "Always Ask First Rule". The programme is designed for early childhood to Year 4 students, and provides a great way to talk to young children about sensitive but essential topics. Through the Hedge Funds Care grant, the Ministry was able to purchase "Let's Talk About Touching" (LTAT) kits for all primary schools in the Cayman Islands.

Additionally, nine "Talking About Touching" kits were distributed to pre-school centres who attended a training session on 5 November 2014, offered and led by an Early Childhood Care and Education Officer and one was provided to the Cayman Brac Day Care Centre, whose staff were trained on 23 February 2015 by the Children and Youth Programme

Case Manager from the Cayman Islands Crisis Centre.

The Ministry of Education's Early Childhood Care and Education Unit, along with the Ministry's project lead, has been working in partnership with the Cayman Islands Crisis Centre and offered additional training and support for the pre-school centres. A meeting was held with the Cayman Islands Crisis Centre's Children and Youth Programme Case Manager and the Early Childhood Care and Education Unit of the Ministry on 8 January 2015, to discuss how best to offer this support for the centres. A follow-up to the 5 November 2014 training session was held with all principals and lead teachers on 19 January 2015 to review the materials in more detail. Following this meeting, the Cayman Islands Crisis Centre's Children and Youth Case Manager has visited those centres who requested further assistance with implementation of the programme.

In December 2014, the organisation that publishes the "Talking About Touching" and *Second Step* materials (Committee For Children) released the Child Protection Unit. Hedge Funds Care has awarded the Ministry of Education a grant to purchase and utilise the Child Protection Unit. According to the developers of the Child Protection Unit programme, "**The *Second Step* Child Protection Unit, combined with the *Second Step* program, provides a comprehensive approach to help children feel safe and supported. The Child Protection Unit includes training and resources for administrators, program directors, and staff; lessons and activities for children; and family resources.**

"The Child Protection Unit is unique in that it includes a robust training for administrators and program leaders that help them assess their current child protection policies and procedures. This in turn helps them develop a comprehensive child protection strategy that aligns with current research and best practice, including specific policies and procedures designed to protect children from abuse in a school or youth program setting, such as a staff code of conduct and procedures for reporting staff violations of protection policies."

Research has shown that **"teacher and staff education is important for effective child protection programs. The Child Protection Unit training specifically prepares staff to recognise common indicators of abuse and neglect and report according to their school or program's reporting procedures when they have 'reasonable cause to believe' a child is being abused and/ or neglected. In addition, it trains staff to respond appropriately to children when they disclose maltreatment and encourages development of safe, supportive, and nurturing relationships between children and staff so children may feel comfortable disclosing. It also provides staff techniques to respond support-**

ively to children showing signs of possibly having been abused or neglected.

"The Child Protection Unit lessons build on the foundation of social-emotional and assertiveness skills taught in the *Second Step* lessons by teaching children how to refuse unsafe situations and sexually abusive touches. The lessons teach children to recognise unsafe and abusive situations and report these situations to adults immediately. Since children are more likely to learn personal safety strategies if they are given many ways to practice the skills, the Child Protection Unit lessons include a variety of teaching strategies and give children multiple opportunities to practice skills."

Each lesson also comes with a fun activity children can do with a parent or caregiver at home to practice the skills and it is geared for use with early childhood children to Year 6 students.

"Encouraging parents and caregivers to talk with children about sexual abuse is a key component of child sexual abuse prevention. Many parents want to educate their children about sexual abuse but are reluctant to because it is difficult to discuss. The Child Protection Unit includes media and resources for families to help them talk with their children about this difficult subject.

"The Child Protection Unit is a comprehensive child protection program that, combined with the *Second Step* program, can address the multiple factors needed to prevent and intervene in cases of child abuse and/or neglect. The foundational social-emotional skills provided in the *Second Step* program combined with staff training and child lessons in the Child Protection Unit empower schools and programs to create a safe and supportive learning environment in which children can thrive. The Child Protection Unit carries this one step further by providing family materials that can contribute to greater protection beyond the lessons."

The programme manager (At-Risk Youth) of the Ministry of Education will be attending a three-day conference in June 2015 which will provide an opportunity to learn directly from experts about systemic implementation tactics for social-emotional learning. This will also include participation in a training session where developers will review and walk through the Child Protection Unit and strategies for helping schools to prevent child abuse, looking at the latest research and best practices in child protection and creating safe schools and prominent researchers and leaders will address child safety/school policy and discuss what it takes to put theory into practice.

A primary schools life skills' working group was formed in December 2013 to develop a set of recommendations from the group in order to achieve a common vision surrounding the provision of life skills

in the primary schools and determine what support and materials are needed in order to achieve this vision.

The group reviewed programmes/sessions currently being offered, discussed strengths, weaknesses, opportunities and threats to current provision, and developed recommendations on how to move forward with provision. The group established a common set of resources for character education themes and developed a framework around these resources (common units/schemes of work, et cetera), which includes the "Talking About Touching" and *Second Step* social-emotional learning materials, and will now focus on ensuring consistent and well delivered programmes are offered at all primary schools.

"It's Not Your Fault" is a Canadian Red Cross programme which has been adapted and utilised in several countries throughout the world to help empower youth ages 12 and older with knowledge about their rights, what abuse is and how to identify abuse (sexual, emotional and physical) and neglect, as well as developing skills to help them disclose when abuse has taken place. As a peer education methodology, "It's Not Your Fault" trains peer educators to lead these sessions with fellow students (with additional support from trained adult leaders), thus helping to minimise the age and communication gap between the educators and those participating in the programme.

This programme is appropriate for the secondary schools. Once peer educators are trained by the Canadian Red Cross facilitators to deliver "It's Not Your Fault", these students will be equipped to help their fellow students by offering workshops that identify different types of abuse and why it happens; who can provide help; how to help a friend; and how youth can make a difference. The Ministry of Education is partnering with the Cayman Islands Red Cross to conduct a pilot of this programme at John Gray and Clifton Hunter high schools.

This is some of the important work that the Ministry of Education, Employment and Gender Affairs is doing to address the incidence and issues related to child abuse, including child sexual abuse. As discussed, the efforts of the Ministry have significantly increased in this regard since this Government took office in May 2013.

I believe the time has come to make child protection training mandatory for certain professions, and persons working in certain agencies and civil society organisations, especially those working with our children. More discussion of this will obviously need to happen with the Government as a whole and at a national level; however, it is a discussion that I would encourage to happen sooner rather than later. As a country, we need to take concerted, collective, and decisive action to stem the tide and incidence of abuse, especially sexual abuse, of our children.

Thank you, Madam Speaker.

GOVERNMENT BUSINESS

BILL

SECOND READING

APPROPRIATION (JULY 2015 TO JUNE 2016) BILL, 2015

DEBATE OF THE BUDGET ADDRESS AND THE THRONE SPEECH TOGETHER WITH THE GOVERNMENT'S POLICY STATEMENT

[Continuation of debate thereon]

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

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

We are almost there with the contributions from Members on the Throne Speech by Her Excellency the Governor, the Policy Statement by the Honourable Premier, and the Budget Address by the Minister of Finance. I certainly want to commend all three for content with regard to outlining Government policy, where we are at, and where we intend to take the country.

Madam Speaker, I have to tell you that I was charged from yesterday afternoon by the Honourable Premier to make sure that this morning, before I came here (knowing that I was going to speak) that I was to have a real good bowl of brevity! So, that was my breakfast this morning.

Let me begin by saying that I want to publicly thank the Chief Officer and all the other members of staff in my Ministry and all of the departments for the subjects that I am responsible for, in all of their efforts during the past two years. I have to make a light moment by remembering a comment I heard one of the staff members say to another one not long after the Government took office. I do not know what was said prior to this statement, and perhaps I do not remember it verbatim, but I can remember the gist of it. It went something like this (and I will say it kind of how it was said. It was, *I know you got it in now. You were thinking now that you never had anything to do, and now you got too much to do, so take that!*)

So, Madam Speaker, that tells the tale that during any short hiatus they may have had, they are now back, in full swing. And I say that, Madam Speaker, before I begin on the individual subjects, because even though I get frustrated (I won't say on a daily basis, but I get frustrated fairly often), simply because of the system of Government, and even though by now I am almost used to it, the truth is because it is Government it is almost impossible for the system to

be as fast moving as I would like it to be, because of all the checks and balances that have to be guaranteed, but at the same time, understanding well that we cannot tarry.

Madam Speaker, I first want to speak just briefly about the Department of Vehicle and Drivers Licensing and to say that outside of the regular work that they do, there are plans, and I believe that they are just about ready to sign the lease. As we know, there is a satellite office in West Bay and the department is housed on the upper end of Crewe Road, opposite . . . just near, on the other side of the road from the Lions Centre, adjacent to the Baptist Church. They are extremely busy, and I mentioned before that plans were afoot. In fact, those plans were afoot from the time you were in the Ministry for another satellite office to be located in the eastern districts and I was hoping that by now we would be up and running, but we are not. But we are not far off now. So that is going to be good news.

The good part about what is being done for that satellite office is that they are going to be able to do inspections on-site. The reason for that is because there are . . . in fact, I shouldn't say there are, I should say that in that area is where most of the quarries are and as a result, the majority of the heavy equipment that is used throughout the country is either housed up that way or travels up that way on a regular basis. So that will be a welcome relief to the sometimes very busy, in fact too busy, times that the main office faces. So, I am sure that those who live and work in the eastern districts will be able to enjoy that in a few short months. We expect that before the calendar year is out we will be up and running in full swing. So that is good news.

Madam Speaker, the other exciting part of their operations is the advent of electronic vehicle registration. This too is a project that has been talked about for quite some time. We have basically come to agreement with the suppliers of this system, and, as I understand, the central tenders committee is examining the proposal with a view to moving the process forward. This electronic vehicle registration system will allow the licensing of vehicles completely online. That will include registering and licensing vehicles and also allow for a flexible payment mechanism. As we can easily see, this will relieve the operational burdens and certainly improve fiscal performance for the department by providing an automated means to screen vehicle registration for inspection and licensing.

Madam Speaker, just to quickly give a little insight into this, persons who own vehicles will be able to almost use a top-up system, like your phone, in that you can keep adding money into your account so it is not necessarily a situation where you pay for a year, six months or three months. Of course, if the money is finished, which means the vehicle is not licensed, then, you certainly are going to have to be charged for the infringement of the law. From the prospective of

the police, there are other benefits besides the ease of use and the lack of long lines. But it will also be used as a crime prevention tool because one will not be physically able, as can be done now, to switch licence plates on vehicles at will. There will be automated identification of vehicles which will inevitably lead to quicker apprehension of serious law offenders. And there are other benefits to be derived.

Now, by the time the system is in place a few months from now, we have to be working with the other agencies involved, especially the police, to be able to synchronise all of the efforts to get the system working. But there are tremendous benefits to be derived. Madam Speaker, there is some capital cost for the system itself but by the time it is all over the Department of Vehicle and Drivers Licensing will not earn any less than it does presently and it does not mean anymore cost to owners of vehicles or those who have driver's licences. It will be a more user-friendly system and will certainly make life easier for all concerned.

Madam Speaker, I look forward to seeing this system in place in the months ahead, to see the new satellite office up and running. One more benefit of this electronic vehicle registration system is that there will be benefits to the National Roads Authority in generating traffic statistics and motor vehicle flow and traffic patterns. That is for future planning.

Madam Speaker, as I move on down the line, let me pause to mention something I should have said from the very beginning. I listened to my colleagues' contributions and it was very obvious to me that each of them takes their responsibilities very serious. They also take the time out to know exactly what is going on in their ministries to ensure that Government policies are being carried out. While the civil service puts those policies into effect, the role of Ministers is to make sure that these are carried out. I have to commend my colleagues. Not all of them have a vast amount of experience in Cabinet, or in Government, for that matter. Every one of them has their own experiences, professionally and elsewhere, and that certainly has helped. But I want to say that I am happy to see how they have fit right into the seats that they hold and actually (like the ad says) the Government is jelling. I want to commend them for that.

Of course, Madam Speaker, it doesn't mean that everything you aspire to has been accomplished. There is much more to do. Certainly the discerning public will have their complaints because they are not satisfied with certain things. But I just want to say not all things can happen in a day and sometimes the public does not realise what it really takes to get to the point that they want to see certain things get to and you just have to do all that you can and ride it out until you get to that point. But we are getting there. Actually, especially fiscally, I certainly would not have believed two years ago when we took office, that we would have been able to give the report that the Hon-

ourable Minister of Finance gave in his Budget Address and to have a budget prepared the way this one is with the operational surplus and meeting all of the requirements of the Public Management and Finance Law by fiscal year end in all of our projections. I think that that in itself deserves commendation, not only to the Minister and his team, but also to the entire Government.

Madam Speaker, I do not want to spend a lot of time on that, because I am sure the Minister will, in his winding up, speak to certain public utterances that we have been hearing. Let me just remind people that I am not an accountant, but it does not take genius level to understand certain things. Some people seem to either be of the view, or wish to skew their public utterances by suggesting that when you speak to an operational surplus on an annual basis, that that operational surplus is carried forward, or when you speak to a deficit, that that deficit is carried forward to the next year. Every time a budget is delivered here, regardless of which Government it is, if there is an operational surplus that is it for the year. The next year, when you have a budget prepared and you report year-end figures, those year-end figures are for the activities during that fiscal year, nothing before. There is a big difference there.

What you will have carried forward is your bank balances, whether that is an overdraft or whether that has \$50 million in the bank. But you do not use those figures for whatever your bank balances are, to decide whether or not you have an operational surplus. An operational surplus is decided on the activities of that fiscal year with the money that you earned (that is government revenue in this instance) compared to the money you spent (that is government expenditure in that instance) and you take one from the other. If your expenditure is more than your revenue you have a deficit; if your revenue is more than your expenditure you have a surplus. So, I had not had a chance to speak to the Minister of Finance, but I know he can explain it in full detail putting the figures together. But I think it is worth mentioning because I heard a couple of instances where people decided that they want to either be the next Government or be elected or re-elected. I have nothing against them. It is a free world. But they must learn to get the facts right.

Madam Speaker, the Water Authority continues its efforts and, (shall I say by unanimous decision?), the majority of capital works that have been going on this fiscal year have been over in the Brac. It has been a long time coming. They have done some 6,000 liner feet of pipeline to reduce seawater infiltration into the collection system. That is not really in the Brac, but that is over here in Grand Cayman. But so far, there is just over 7,000 feet of infrastructure extension installed in the Brac and it is continuing as far as capital resources will allow.

As you know, Madam Speaker, we have also installed a containerized sea water RO plant which

produces just-under 230 cubic meters of water daily. And also preliminary works have been started on the bluff waterworks site.

The Lower Valley RO plant contract has been awarded for the design and construction of a plant which will produce 3,000 cubic meters of water per day. So we expect in short order for that project to be totally completed. In fact, I think by next month that can actually be commissioned.

Madam Speaker, the Water Authority is nearing completion of their transition to the ARCAM Model, which is the rate/cap adjustment model. And similar to the way that Caribbean Utilities operates, so too, will the Water Authority in fairly short order. They have nearly completed that. Of course, that is the aspiration, to be able to deal with the new agreement with Cayman Water Company and I am hopeful we will be able to finally get that sorted out. I do not believe that everybody will get their own wish and desire, but certainly we have to get to the point where we have an acceptable situation.

I just want to say that this Government, my Ministry and I, as the Minister, fully understand and accept that it is not our role to try to create a situation where the Cayman Water Company no longer becomes a viable commercial entity. But I just want everyone to realise that the Government also has an inherent responsibility and it is incumbent on Government to ensure that they get the best value for money they can get for the consumers they represent. So that is the combination we have to find the right balance with and get agreement on. I am hopeful that in short order we will be able to get to that point.

I want to say, Madam Speaker, that as a matter of policy the Government has decided (and made public utterances about this) that with regard to sewage, we are going to be working towards privatising sewage throughout Grand Cayman and at present they are working on developing the terms of the RFP. There have been some parties interested from the very beginning when this was touted a few years back, and there may well be other parties who are interested. I just want to make it clear, so that no waters are muddied, that the water side of the Water Authority is not for sale. This Government, as a matter of policy, has decided that the Water Authority is one of those entities which do not need funding from Government to operate. In fact, as proof of the pudding, all works being done over in Cayman Brac are being funded by the Water Authority's own revenue sources and we do not believe that you have to tie the water supply side of it to get the sewage side going. But we recognise that any solid waste disposable system on a national level is going to require the level of capital and expertise which the Government does not have at its fingertips. But we will also ensure in the RFP that it is clearly understood that there will be a regulatory regime put in place to ensure that prices are affordable by those who will be hooking up to the system

once it actually takes place, so that the consumer is protected.

Madam Speaker, this kind of project requires funding from an entity that can wait for 25 or 30 years and make their business plan to recoup their investment over that extended period of time. And that is what it is going to take. But there are companies out there willing to engage in activity at that level. So that is the direction we are going with that.

The Petroleum Inspectorate is now dealing with legislation such as amendments to the Dangerous Substances Law, and that is to give full effect to the law, primarily to regularise all businesses operating in the sector and to enforce relevant industry standards. There are also some regulations which are in place to allow for efficient operation of this law as soon as we get it updated; that is an operating permit pipeline regulation, calibration regulation, prohibited road vehicle regulations, fuel import quality and standards regulations and, of course, the price signs regulations which would be at the retail outlet, or gas stations.

Fuel quality monitoring is something which came to our attention very early during this administration. And we introduced a system very shortly after taking office and this continues now on a random basis, but because it is done, we do not have that many incidents now where the local public complain. So, I believe that the suppliers are paying much more close attention to this. What I simply said to them, Madam Speaker, was that as we do these random checks, it is going to be a name and shame game. So, as bulk distributors, if you want to be named and shamed, then, bring in inferior fuel. That is entirely up to you. I think that got their attention!

Madam Speaker, this leads me (as I mention the bulk distributors) to speak to a very topical issue which is the price of fuel. There was a Private Member's Motion brought by the Honourable Leader of the Opposition not so long ago. We had good debate over the matter. I gave commitment that we were going to be looking at this. What struck me as being funny (not meaning a joke, but strange) was when this situation kind of hit a crescendo, I made a call to both entities through the Petroleum Inspectorate. I actually met with them and laid the situation out. I said, *Listen, every time (and this has been from the time I've been in Government) we ask you guys to show us proof of what you pay for your fuel so that we can satisfy ourselves that your markups are reasonable, all I hear is this fancy word 'that's proprietary information, We don't want our competition to know.'* I said, *Whatever information we receive, we will treat it in a confidential fashion.* But I still have not heard anything back from them.

But when I said to them, *You all are going to push us into a corner and cause us to take some drastic measures,* Madam Speaker, in short order, whether by coincidence or not, I do not know because

we do not know the price of the fuel, but in very short order, the hugest price decrease that the country ever saw in fuel, both gasoline and diesel, was experienced in a couple of days. It was a 40-something cent drop.

[Inaudible interjection]

Hon. D. Kurt Tibbetts: My colleague tells me that we just got notice from them that the price is going up again Monday. Well, let me just tell the country what is happening.

I just brought that example, Madam Speaker. Like I said, I do not know whether it is a coincidence, but from where I sit, it is hard for me to say it is a coincidence, which is what they would like me to say. But I am not saying that. No way!

Madam Speaker, having said all of that, and having said to them, *Listen, we want to be reasonable,* but not having heard anything from them . . . all I heard was when one of them went to the *Compass* and did an interview and shot something across my bow warning me that legislation setting out price control might cause the price of fuel to go up. Now, they can use whatever logic they wish to try to bring that argument. I do not know who else is listening to them, but it's not me. They cannot convince me of that.

Here is the problem, Madam Speaker, why some people wish for us to move into this situation almost headlong and just take the bull by the horns. When we take, for example, the Bahamas . . . and we have done our research, Madam Speaker. I want to just pause to say a very special thank you to Mr. J. Paul Morgan, who is now working in my Ministry for a fixed duration of three months with the ability to extend that period of time. His main job was to deal with setting up the Public Utilities Commission, which I will come to, but he has had a fair amount of experience in the field of fuel and fuel pricing. We certainly were able to use him and his connections to look at legislation which exists in various territories and we were able to get a clear understanding of how the Bahamas operates.

The Bahamas has set a fixed markup that the bulk fuel distributors can use on the prices of fuel. They have also set for the retail outlets. But here is why we could not just go headlong into creating that situation. As of now we do not have the mechanism in place by which to verify that the invoice presented to the Customs Department when fuel is imported by these bulk distributors is the actual price they pay.

Now, I am not by innuendo or directly making any accusations, although the public is making these accusations all the time. I know what I should and should not do. I will not even venture to tell you how I feel, because if I tell you that I might make an accusation. What we do know is that we don't know. And we cannot simply take their word for it. So we are now, as we speak, developing the mechanism which will be

done very swiftly by regulations to create the mechanism by which we will be able to verify the prices we are being told that is being paid for fuel is the correct price.

What really cemented that in my mind, because I was strangely enough, hot to trot! I was ready to do what I had to do. But what made me think twice was when we checked with our Customs Department here. And here is a strange one: the invoice that the Customs Department gets here by which the cheque is paid out for the duty, that invoice is generated from the Cayman office.

So, Madam Speaker, from whence it cometh to the point of an invoice being generated from the Cayman office is a whole pile of miles. I do not know how many hands changed (if you understand what I am saying). But, as I said, I do not want to cast aspersions. I am just laying it out straight and saying that the Government is going to find out what that price is, and as soon as we find out, meaning as soon as we are able to guarantee the mechanism . . . because we could look at Platts and other weekly or daily reports and have a general idea, but this is something that when we put this in place (in short order, now), we do not want to have any fears about it. Whoever comes in after this, or whether there is another supplier or anything else like that, and we are going to do it right. Now, I can tell you, I will admit (but it will not be me alone that admits) that this is something that should have been done a long time ago. I am not saying no to that. But outside of arguing the point, my colleagues and I are anxious to ensure that this Government does what we know should be done. And we will do that.

So, while what I am saying does not tell what the solution is, I am saying the journey that has started and where we are going to end up. Without going into a ton of details, the timing is going to be as such that we are going to use regulations in the immediate, meaning I am anticipating within 60 days from now we are going to have the regulations in place which will have devised the system by which we can guarantee that we know what those prices are. Then, as you will see as I talk about a public utilities commission, that by the time that is set up (and that is only months away also) that will be part of their regulatory regime to regulate those bulk distributors and the retail distributors and speak to price caps and such the like.

Madam Speaker, had we simply gone ahead and set these price caps without knowing the actual cost of the fuel, they would have been laughing. They would have gone on like we had done them the worst thing in the world, but behind our backs they would be laughing at us because they would know they could do all kinds of things to fix the price that they say the fuel is coming here for. So that is where we are.

Madam Speaker, I make no bones about it. Those who know me know that I am not known to be unfair or jumping all over the place. I do not have to

gain notoriety from anything. But what I do know is what is right. And I do know that what the Government is doing is right. So, whatever they say . . . and the last thing I want to say about that is that they have already started sending the messages through their own little channels and in discussion with somebody I will hear the little comment, *Well what happens if they pull out?* Madam Speaker, you know what? If they do, they can't carry the stuff that the fuel flows through. I can tell them that. And if they pull out, if they go in the darkness of the night, it won't be long before the situation is regularised. So, I do not know who they think they are frightening, but it's not me.

[Desk thumping]

Hon. D. Kurt Tibbetts: I do not know what else they might try. And I am speaking this way today, Madam Speaker, not just because I know my responsibilities. I have admitted this before and I will admit it again, when we went at this the first time years ago the business of price control was something that we were very afraid of. So I accept nothing before its time.

We do not want to put the system in place where it is called "price control" because that is not our economic model. We do not want to start a situation where the moment somebody else says that chewing gum is costing too much, you have to put price control on chewing gum, that you get all kinds of flux. That is the easiest way for me to explain it. We do not want anything like that, and we do not want to scare people from doing business in Cayman. This is a capitalistic society, but the laws of competition should exist, and fair competition must be what it is. And when there are certain commodities, especially fuel, which is perhaps single-handedly the only commodity which affects the price of every single thing in the country, you cannot simply just leave that to chance.

Fuel, as has been proven . . . and anybody who checks with the Economics and Statistics Office can get this verified. The price of fuel has the ability to almost single-handedly decide what your inflation rate is for the year. I am not suggesting really that it is by itself, but it is in many instances the largest factor involved. It has a huge impact on how much disposable income each person in the country has, which actually decides how vibrant your domestic economy is. I hope the Minister of Finance doesn't think I am trying to be anything else but that much I know. So, I am not going to go much further with that. I will leave the rest to him. But I make that point to send the message loud and clear to these bulk fuel distributors that since they have not come back to us with any suggestions, we are now acting and . . . we are going to keep them informed. We are not hiding anything from them. But we are not depending on them to tell us how to do it. And we are not going to be unfair, but we are not going to let them be unfair either, although I do not know

what they would think is fair now, when I think about it. Let me not worry about that part of it.

Madam Speaker, I think enough is said on that. I believe that by the time we meet in September we will be able to say to this honourable Legislative Assembly and to the public of this country—*This is what we have done. As soon as our Public Utilities Commission (which may have a different name but just using that term for now) is in place, will we go the next step so that we will have a seamless situation whereby we will know at all times that we are sure of the price that is being paid for fuel and we will know from that base price what the fuel is going to cost the consumer.*

You see, Madam Speaker, when we end up at that point in time, we will end up as I envisage it in a very similar situation like Caribbean Utilities whereby if they are going to give any type of increase in their charges, whether it is .001 per cent or whatever, CUC has to go to the ERA and justify why they should raise their prices or why there should be an increase in the cost of electricity. Likewise, that is how I envisage that situation with the bulk fuel distributors.

Madam Speaker, that is only fair and normal in my view. But whatever it is, in their view, is what is going to happen.

The Speaker: Honourable Minister, is this a convenient time to take the luncheon break? We can reconvene at 2:00 pm.

Hon. D. Kurt Tibbetts: Thank you, Madam Speaker. That's fine.

Proceedings suspended at 12:30 pm

Proceedings resumed at 2:30 pm

GOVERNMENT BUSINESS

BILL

SECOND READING

APPROPRIATION (JULY 2015 TO JUNE 2016) BILL, 2015

DEBATE ON THE BUDGET ADDRESS AND THE THRONE SPEECH TOGETHER WITH THE GOV- ERNMENT'S POLICY STATEMENT

[Continuation of debate thereon]

The Speaker: Please be seated. Proceedings are resumed.

I recognise the Honourable Minister of Planning to continue his debate.

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

Madam Speaker, when we took the lunch break I had just finished speaking about the bulk fuel distributors, so I think enough said on that.

I want to speak for a couple of minutes now, Madam Speaker, on the Department of Vehicle and Equipment Services [DVES]. First of all, Madam Speaker, I am extremely happy to know that once again we now have Caymanian at the helm, Mr. Richard Simms, who was the former deputy head of DVDL, who had been acted in that position and has been confirmed after going through the hiring process. I have to say that Mr. Simms is extremely enthusiastic and certainly very knowledgeable. He also was in the senior ranks for some time as a police officer before moving on into the civil service, or public service outside of the police force. Madam Speaker, as we discussed from a policy standpoint, we know that we have had the thorny issue of the fuel management system. I was trying to remember the name—

[Inaudible interjection]

Hon. D. Kurt Tibbetts: The GasBoy system. One of his tasks from the onset was to come up with the ways and means to fix that. I can happily announce to the public and to the Members of this Legislative Assembly that the DVES have recently signed a contract to upgrade the fuel management system.

This new upgrade will allow us to have proper control and certainly better account for the use of the Government fuel distribution. Madam Speaker, the new system (I hope I can remember it all in its right sequence here) . . . the way the new system will operate, and perhaps it will take some months to get it fine-tuned, but it will operate on allocations because that department is with funding for the supply of fuel to the various government departments, and by record, they pretty well know how much each vehicle uses on a weekly and monthly basis. So, everyone will have a quota.

The way the new system works, if you exceed the quota that is there, then the vehicle is not allowed to get any more fuel until you notify and justify. So that is the beginning of preventing abuse. Madam Speaker, the system is also such that it is tamper-proof. Once we get the system up and running, the next step is to purchase the rings for the vehicles—I call them “rings.” I think that is a good enough name for me to call them. These rings will be attached to the—I call it the “mouth” of each fuel tank, of all of the vehicles. This system will all be computerised.

Madam Speaker, this means that when you have your card for that vehicle, and everything is all tied in by computer, you can't remove that ring, so it means that you would not be able to bring another vehicle and use your card to get fuel, which is what

used to happen. So understanding all the difficulties that the original GasBoy system faced, this new system is certainly going to be, not only much improved, but for recordkeeping, it certainly is going to enhance that.

I want to say a big thank you to Mr. Simms for all of the work that he and his team have done in looking at the various options and developing the RFP in order to be able to get a system which we can trust and which we know will not allow for any fancy footwork to take place. I look forward to that happening in short order. As I said, the contract has been signed, so the system will be installed very soon. The next step is the rings, which will really fix it in a way that it is foolproof, and that is wonderful.

Continuous training has been going on, and Madam Speaker, not to give him too much praise, but Mr. Sims has also displayed the ability to bring staff morale back to where it should be. I think people actually look forward to coming to work nowadays at DVES. And I really want to say a special thank you.

The other thing that he has been very instrumental [in], which the Government has now approved and is in place is a vehicle standardisation policy for the Cayman Islands Government. The policy covers vehicle volume purchasing, standardisation of vehicles, the types of vehicles, and the appropriate replacement cycle and life cycle costing of these vehicles with regard to proper depreciation.

Madam Speaker, he showed me some statistics not very long after he took over the acting post, when it was vacated by the former director—thank God!

[Inaudible interjection]

Hon. D. Kurt Tibbetts: Madam Speaker, as I was saying, he showed me some basic statistics. He showed me some vehicles, including heavy equipment. Information on what it costs to keep some of those vehicles running during the course of a year. In truth and in fact, when you accumulate some of those costs over a period of year, those costs were sometimes more than what a brand-new replacement vehicle would cost. So, that in itself, just didn't make any sense. This new vehicle standardisation policy will not only save the Government money and allow for more efficiencies' to take place, but just looking at it from simple terms, Madam Speaker, the inventory of parts can be streamlined, unlike what exists today.

Also, replacement of vehicles will be done in a systematic fashion which will save tremendously on maintenance costs. And even when those vehicles are to be replaced, that will be done in such a way that they can have, perhaps, quarterly or six-month auctions, and still recoup some of the value for the vehicles. You see, Madam Speaker, it is one thing when you have one vehicle and you decide you want to limp along with that vehicle, that is an individual,

and you know what it is costing you but you just don't want to go to the expense of purchasing a new vehicle. That is a whole different matter from the volume of vehicles that you are dealing with when it comes to the entire civil service—and not only the civil service, but some of the other government agencies that use heavy equipment, and such the like.

So I don't think—I know—we are on the right track and I know that Mr. Simms and his team, as we speak, have either completed or are developing whatever new systems they need to have in place. Also, to make sure that the staff are trained up properly with the vehicles that are being purchased so that we can really have the department running more efficiently than it has been. Certainly, that is a good sign for the Department of Vehicle and Equipment Services.

Madam Speaker, that ring that I was talking about, I just want to mention that once those are installed, if anyone tries to tamper with them, immediately they are disabled. So, it is a real good system, I believe. And you see, Madam Speaker, you perhaps will remember yourself, that the audit trail gave everybody the heebie-jeebies with regard to that department and the GasBoy system. The auditors were all over it because the system was so poorly run. In fact, I think some individuals got in trouble for abuse of the system. So this will really make a fair amount of difference in the whole operation.

The final thing on that, Madam Speaker, is [that] the contract that was in place and has expired between the fuel supplier, we are now in the final stages of making assessments with regard to the value of the equipment that is there because we want to quickly develop an RFP to have an open tender for whoever is going to be supplying fuel in the future.

Madam Speaker, suffice it to say, with all that I have said before, that is going to be done in such a way that it is always open and competitive and there will be no long-term contracts any more, like a 15-year contract, which was there before because they had supplied a lot of the equipment. Unless something happens that I know nothing about, that won't happen again. So, we are moving forward with that process and as soon as we are able to get the RFP developed, once we know the life expectancy of the equipment that is there now, we will know exactly how to move forward with that.

Madam Speaker, the Facilities Management Team is doing an excellent job. Unfortunately, we lost one of our key people. I certainly wish the young man well. There was nothing wrong except he saw opportunities for advancement of his own career, but so be it. It is a Caymanian who has had good training and his experience will bode well for his future. On the flip side of that, the good news is that also now have a young Caymanian who has been appointed the head of Facilities Management, Mr. Troy Whorms, who has been acting for several months. We have gone through the regular process with that and I certainly

wish to congratulate him on his new appointment because he is a dedicated worker.

[Inaudible interjection]

Hon. D. Kurt Tibbetts: He is confirmed.

[Inaudible interjection and laughter]

Hon. D. Kurt Tibbetts: Madam Speaker, the Member from East End is asking me on his behalf to ask the Deputy Governor to forgive him because he was only joking with what he just said across the floor.

[Inaudible interjections]

Hon. D. Kurt Tibbetts: Madam Speaker, there was also, as we know, much talk about selling the Government Administration building. I just wish to reaffirm to the country that the Government has no intention of doing that. What we have done instead is meticulously gone about getting occupancy into that building to utilise the efficiencies that that building has to its optimum. The building is now at 85 per cent occupancy. Of course, you have to leave some room for growth, Madam Speaker, but also there is a section of two floors which are not configured efficiency. The next task for the Facilities Management Team is to reorganise those areas. We believe we will get some more space that could comfortably fit a couple of smaller departments and utilise more so, the Government building itself.

Madam Speaker, needless to say, without me having a volume of statistics and quoting them, already we are realising savings of millions of dollars on an annual basis with not only lease payments, but electricity charges, and other CAM charges where other departments that are now in that building were leasing space. So, we are on the move!

The next thing that we are going to seriously be looking at, Madam Speaker, and it is a matter of trying to get the McAlpine contract finally put to bed, that all the retention fees are paid, and all the check lists are ticked off, because they have had just some very minor problems that the contractors were responsible for repairing. Once we can get that put to bed, we can move forward, looking very seriously at how we can utilise solar power to again better yet maximise efficiencies with regard electricity costs.

We know that it is a LEED-certified building. We also know that it is one of the most efficient buildings operating here in the Cayman Islands, as we speak. But if we could add solar power to that, and the roof was built with that in mind when we were asking for the design to be done, that was one of the things that we made sure to ask them for several years ago. So, as soon as we are in a position to move that process forward, we are also going to do that and that should see better results yet with the electricity bill.

Madam Speaker, some people are going to be a little cross with me because I can tell you that I can see now that I am not going to be able to speak to every one of the subjects, but we will just do it the best way we know how.

Madam Speaker, I want to just speak a little bit about the Department of Agriculture because there are some new things happening. The personnel have been actually hired to operate the CARDI [Caribbean Agricultural Research and Development Institute] office that has been set up on the department's compound in Lower Valley, and that is going to bode well for the farming community. We expect that person to be in office with the rest of staff by the beginning of next month. Certainly, that will assist.

Continuing on, Madam Speaker, the Ministry, once we got approval from our caucus and Cabinet, commissioned a consultancy for drafting a National Food and Nutrition Security Policy [and Strategy]. That individual who is the consultant, and is working along with us now in our office, is also charged with the implementation strategy. Things are going well with this, Madam Speaker, and he has had many meetings with stakeholders. He has done his information gathering. I think he still has some more information gathering to do, but we are certainly happy and we know that before the calendar year is out—in fact, I think by end of third quarter—we should be ready for the implementation. I am really happy to know that not one single stakeholder has voiced anything but support for a policy like this being implemented.

Madam Speaker, we know that we launched a “Don’t Pack a Pest” programme, and that has been going well [and is] being monitored. We also are happy to announce today two things, and I wish to thank my colleagues for their full support in both matters. Next Heroes Day, Madam Speaker, will have the emphasis on agriculture. That is January of next year.

An Hon. Member: Very nice.

Hon. D. Kurt Tibbetts: I can hear the sarcasm; it is okay.

[Inaudible interjection]

Hon. D. Kurt Tibbetts: Madam Speaker—

[Inaudible interjections]

Hon. D. Kurt Tibbetts: Madam Speaker, the other thing that I really am pleased to announce, and with your permission, I would just like to read an excerpt from a letter which we recently received from the CARICOM Secretariat. If you need for me to table it, I am happy to do so.

The Speaker: Please proceed. That would be the correct procedure.

Hon. D. Kurt Tibbetts: Yes, Madam Speaker.

Madam Speaker, some time ago, I made some public utterances about the Caribbean Week of Agriculture and the possibility that the Cayman Islands might be allowed to host the Caribbean Week of Agriculture. And, Madam Speaker, without taking too long, but for those who might not be quite sure of what this means, just before I read the letter, this Caribbean Week of Agriculture brings all of the relevant organisations together from the region and some from North America, and it allows for all kinds of networking to occur, and it being allowed to be hosted here will certainly give a big boost to our farming community. The letter I was speaking to, Madam Speaker, Caribbean Community [CARICOM] Secretariat which is housed in Greater Georgetown, Guyana, addressed to me:

“Honourable Minister, I sincerely apologise for the long delay in responding to your letter of December 23rd, 2014 regarding Caribbean Week of Agriculture 2016. This was due to an administrative error at the Secretariat.

“The CARICOM Secretariat, acting on behalf of the Secretariat of the Alliance, is pleased to convey to you the acceptance of the Cayman Islands offer to host Caribbean Week of Agriculture 2016. We are very excited about this prospect as this is the first time that the Caribbean Week of Agriculture will be hosted in an associate state of CARICOM.” [UNVERIFIED QUOTE]

And, Madam Speaker, I think that speaks volumes for our interaction with the region. This will be in October of 2016. It is going to require much planning. Not by design, but by coincidence, it also happens at the right time of year, in the month of October, so the hotels will be very happy to have 400 delegates from other territories visiting at that time of year. We are, Madam Speaker, very happy to know that our offer has been accepted.

Madam Speaker, having to move on now—

[Pause]

Hon. D. Kurt Tibbetts: Moving on, Madam Speaker, to the importation of livestock. Before I move from the Department of Agriculture, there are many things going on there and I just sometimes get a little bit sad because I would really love if we had more financial resources and human resources to pour in that direction. Unfortunately, we have our restrictions and we can only do the best we can with what we have to work with.

Madam Speaker, the other thing that I want to announce that is happening as we speak is the demand for, not only produce, vegetables and fruits, but also for our livestock. [Demand] has increased tremendously at the supermarket level.

I know that you will remember, Madam Speaker, at the beginning there was some resistance to us having an abattoir. And there were those who thought that it was the worst thing that could happen, and all our family traditions and everything else would go down the tubes. But thank God that we persevered and we now have that abattoir. That is the missing ingredient from the supermarkets being willing to take our cattle, our pigs, and our goats, and in instances, poultry. So, now that we have that in place, Madam Speaker, the demand has risen.

The discerning consumer in many instances now prefers natural meats and vegetables. So there has been a continuing increase in the demand for especially the cattle and pigs. So much so, that in recent times the farmers had to come to grips with the fact that very shortly they would run out of their supply. Madam Speaker, that is the last thing we need to have happen because we do not want to have to start over with the public and the supermarkets again by not having a supply for several months, and letting the USDA take over again.

So, as unimportant as that may seem, it is an important part of everything that goes on. The Government is working along with the farmers now to ensure that we assist financially with making sure that they are able to import the livestock that is necessary, and have that ample supply, to have the livestock here for a reasonable amount of time to get them in the shape that we can call it “local” livestock.

Then, Madam Speaker, on the heels of that, in our next fiscal year, but very early in the fiscal year, they have also made their own lists that we have done what we have to do, and we will assist in them purchasing breeding stock, both cattle, pigs, and goats. Madam Speaker, the idea behind all of that in sitting and talking with them, is to ensure that they have an ample supply. If my colleagues will allow me, I would like to do it one more time again next year, in our next fiscal year, so that we don't have that problem to worry about in the foreseeable future. And, of course, it is not something that you can do all at one time, because not only does Government not have the financial resources, but the farmers do not have the financial resources or the land space to buy that amount all at one shot. So, things are happening and we are moving as fast as we can to better that industry.

Madam Speaker, Lands and Survey have launched a new public site for access to maps, which enables the public to more readily assess the maps on sale or provided gratis by Lands and Survey. There are also new services being offered in the Land Registry, including the introduction of escrow client accounts where clients, just like large importers can do with the Customs Department, and they make deposits and keep drawing down as they declare their goods. So, too, does Lands and Survey have a system in place now where those people who utilise their services regularly, instead of having to wait and come

and get in line, and pay the cheque, and wait for the receipt and whatever else, they could actually deal with it on a drawdown basis and have whatever documentation processed or gather whatever information they need to get. And this certainly makes the registration process quicker.

An online forms system is also being developed, and over this fiscal year coming will be expanded. This will see the reduction of the number of documents returned due to errors; hence, it will speed up the registration process again. There is also an express service being offered. E-conveyancing, Madam Speaker, is something that the Ministry and the department wish to become a reality, and the research and investigation phase has been completed with that. They are going to be moving forward to have this system introduced in a phased manner.

Madam Speaker, Information, Communication Technology Authority, ICTA. Madam Speaker, between the last Finance Committee and this one coming up now that has seen a change in leadership. We have a young Caymanian now at the helm—very qualified, very eager. Certainly, we are happy to have him as part of the team. Mr. Alee Fa'amoe is the new head of the ICTA. All kinds of things are happening. I don't even know where to start. But we certainly are happy to have him on board.

There is, the [dot] .KY Internet domain improvements that are taking place. I don't intend to go into a lot of detail with this, but there is a new .KY domain management system which was deployed in March of 2015. Madam Speaker, there are new fees for the .KY domain names. And it is not all about additional revenue. But, Madam Speaker, when the former director was here, I remember speaking to him—I think the way that the Member for North Side would describe it if he were speaking instead of me, he would say “40 eleventeenth times.” So I use that term, not that I don't use it, but I use that to say that I spoke about this on many occasions and the resistance was something else. But at least we are past that now.

We are to a stage now where there are online payments using major credit cards and new security protocols have been established to meet international standards for domain security. The process is 100 per cent paperless. It will not only lower costs of operation, but raise revenue.

Simple little things, Madam Speaker, like 911 emergency services connectivity: Some people, depending on which company they were using, could not use their communications instrument and get 911. That was a fact. So, as of January of this year, every company was mandated to connect their networks to 911 directly. That enhances reliability. As I said, that is a simple little thing, but those are things that you shouldn't leave to linger.

Madam Speaker, the ICTA has been restructured creating a consumer affairs division to focus on the interest of the Cayman Islands consumer com-

plaints against ICTA licensees. They are also enhancing the marine radio licensing. Madam Speaker, they have also been given Cabinet approval to move ahead so we can finally get this matter put to bed where all licensees have a responsibility to provide local content, which involves news, sports, weather, and such the like. We are now going to finalise and get the system where everybody is paying their fair share and all viewers throughout all three Islands will have equal access to all of this. I think some of the licensees simply really didn't give a hoot because they figured you were going to leave them alone. Not anymore.

The other thing that is happening, and the Member for East End and the Member for North Side will also be happy for this, is the Internet access for the eastern districts. Licensees are all now being charged with the responsibility to give equal access everywhere. In order to facilitate and make it become a reality, the ICTA is bringing everybody together with a view to finding out how costs can be shared so that there is no greater expense to the customer. The director is confident that the plan he has to put in place will work and will get that going. And not concentrating just on him, but he is being proactive and doing the things that should be done on a daily basis. Madam Speaker, we are happy to know that all of this is happening.

Madam Speaker, before I move to the Planning Department, I thought that it would be important for me to make sure—

The Speaker: Thirty-three minutes remaining.

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

I thought that it was important for me to ensure that I spoke a little bit about the proposed Public Utilities Commission.

Madam Speaker, when I was talking about the bulk fuel distributors, I mentioned the name J. Paul Morgan. This gentleman, Madam Speaker, is the person who we have hired, and he has come well recommended and with quite enough experience to look at what obtains presently here with all of the various utilities and our own authorities, like the ICTA and the ERA and the Petroleum Inspectorate with a view to making the Public Utilities Commission a reality. I refer to it now, as I said before [as the] “Public Utilities Commission,” but when it is all over, that may not be the name. But for now we are calling it that because I think that is what everybody will recognise.

Madam Speaker, before the EY [Ernst & Young] report was done, in fact, before the work was commissioned through the Honourable Deputy Governor's Office, the Government recognised that there were some potential conflicts with regard to the regulatory regime that we had with public utilities, and we were looking to see whether it was practical or not for us to have a Public Utilities Commission bringing all of

these together and taking all of the regulatory functions that now exist with some of those authorities into a standalone arrangement. The EY report simply speeded the process up, Madam Speaker, and I again, thank my colleagues in the caucus and the Cabinet for approving and having the wisdom to see the sense in doing this.

Mr. Morgan has been on the ground now for more than a month, maybe not quite two, but approaching two. He has done a lot of ground work and he is content that a Public Utilities Commission can work, can include all of the various agencies, and he is now moving into the phase of the practical implementation of how we create this creature, and looking at the legislative changes that will have to be made. Madam Speaker, when we get this done, which I expect before the calendar year is out we should have it all completed, we will have the one regulatory regime. But let me just quickly state that it goes beyond just regulation. This is going to be a multi-sector agency which will be in operation to effectively regulate the Cayman Islands public utilities sector. It will also encourage competition, development and innovation in the sectors in an effort to support overall growth. So, it is going to have more functions than just regulation, as it should, Madam Speaker, as we begin to understand the opportunities that are here for us.

As I said, we have this Mr. Morgan who is a chief strategic advisor, and he has completed his situational analysis of the sector and he is now with his findings, and moving very shortly to the implementation phase. So, this is going to be a reality in short order, Madam Speaker. If we tie that in, once we can get the regulations done to ensure we know the cost of the fuel being imported, then this body is the body that will regulate.

I envisage, Madam Speaker, just like, as I said before, CUC has to now make their case to the ERA if they want to make any raises or any increases in their fees or in their charges, whether it is one cent or a half of a cent, I envisage the same happening with the bulk fuel distributors.

Madam Speaker, just for everybody's ease, because just a few days ago I was on the radio and a caller called in speaking about members of the ERA board having shares in CUC, and, I guess, pointing out a potential conflict. I just want to make it very clear, Madam Speaker, that when this is all over, there will be one board. There will not be an ERA board, ICTA board, and this board and the next board. There will be one board. And the plan is, while Cabinet will give final approval for the board, there will be a process which will have what we term as "independent" as possible a committee who will make the recommendations to Cabinet for the membership of that board based on criteria that will have been set out that are required. Because there will be skill sets that will be required for this board to function properly, and they may well have to be members, or at least one, if

not two members of that board who are not based in Cayman that have these skill sets because you won't need them every day.

I only wanted to bring that to bear, Madam Speaker, so that people understand from now that this whole thing is going to be open, transparent, and everybody will know everything and how everything happens. There is no intention for it to be otherwise, and I am grateful for the guidance that we have gotten so far regarding that, Madam Speaker.

Madam Speaker, the Planning Department, which is in many instances the source for complaints, although it was pointed out on a talk show very recently that lots of times they are the scapegoats and they get blamed for things that it is other agencies in the private sector who just blame them when stuff hasn't gotten to them yet (which is the truth), but we are not talking about of it, Madam Speaker.

I just want to say that the online planning system is continuing, the implementation of that is continuing, and the objective is to automate and streamline the current workflow process whereby it can accept online payments and the application process can be a lot more transparent. Now, Madam Speaker, once this process is in place, people will be able to track where their plans are and know exactly what is happening with their plans. And, the adoption of the new building code with other supporting codes and standards is taking place. The existing code that we operate from is way too out of date.

The two quick things that I want to mention about Planning, Madam Speaker, which has been an ongoing saga, the first one of them for many, many years or, relatively speaking, is the amendments to the Builders Bill. As we know, Madam Speaker, the Builders Bill, I think, was brought to the Legislative Assembly in 2008. I think it was approved in 2008, but it never had a date of coming into force because there were a bunch of hiccups (let's put it that way) at that time. Since then, when we took office, we decided to immediately look at what obtained and we went about seeking to make whatever changes so that we could put this law into force.

We have had many meetings with the [Cayman] Contractors Association, with smaller contractors, and we have had other input from various stakeholders. And while it has taken awhile, Madam Speaker, I am happy today to say that we are ready. We couldn't physically make it for this sitting because of the 21-day requirement constitutionally, but we will be gazetting it as soon as we get the paper through Cabinet. Either, I suspect, two Tuesdays from now is when we will get the paper through Cabinet. We will then gazette that amending Bill and as soon as the House meets again we will be able to bring the Bill to the Floor of the House and get it approved. That Bill, plus the original law, will then be put into force at the same time and that will be, not the end of that, but the beginning of that, Madam Speaker, because we do

believe as a matter of principle that that law needs to be there.

The second thing is we have made some amendments not very long ago to the Planning laws and the Planning regulations, Madam Speaker, and there are a few amendments, again, that we need to bring. As I suspected, as hard as we tried to get it all right, once we put everything into action, there are a few things which we need to correct. For example, one of the difficulties that we found is because we were always having this problem with where the high-water mark is for beachfront properties, but by "beachfront" we mean beachfront properties where there are shifting sands. We thought that the best solution to ensure that we wouldn't have people taking advantage of that shifting sand and doing a survey when the sand was banked up, and then when you look a few months later you see the survey marker under water after the sand has shifted again. We made an amendment which said that any application for Planning approval on these beachfront properties must be accompanied by a registered survey which was done within a six-month period before the application.

To correct that situation, Madam Speaker, what we didn't do was envisage ironshore properties, which are waterfront, and there are some canal properties where the canal is not a private parcel, so it is part of what is loosely termed as the "Queen's Bottom" and those properties are being put the same stringent requirements of having to redo a survey when in actual fact they have precise boundary surveys already completed which are not going to be moving. So, that has been pointed out to us, and while we expect for those others to still have to provide that survey, Madam Speaker, these, like the ironshore properties that I am talking about and the canal properties, we want to ensure that they don't have that restriction. That is one of the few amendments that we need to bring back which we will bring back. And I pointed out that specific one out, Madam Speaker, because in recent times we have gotten a lot of complaints.

The NRA, Madam Speaker, is busy. I know we had some hiccups with Godfrey Nixon Way, and again I will apologise to the public and business owners. There were several things which have been reported in the media, which were beyond the control of the NRA and when we go to do the Smith Road improvements, I am sure many lessons will have been learned. In talking with the managing director, we have to ensure that those in the private sector, like CUC, like the telecom operators who have to cooperate by moving stuff while these improvements are being done, we have to make sure to synchronise those operations to ensure And the Premier has pointed out on many occasions when they were ringing his ears off about the problems that Godfrey Nixon Way that we should be doing most of that work in the night. We do it as best we can, Madam Speaker, and it is not

new to the NRA, but some of the work is not work that they do themselves. So we are going to make sure to try to synchronise all of those things.

The NRA, too, Madam Speaker, has in the last year done their fair share of work with road maintenance in the various districts. Each of the district representatives, I am sure, would immediately say, *Well, you haven't done enough. We need more funds in order to be able to do more work.* But the fact of the matter is, Madam Speaker, given population numbers and the amount of roads that we have in the various districts, we have looked at it and we have tried to share up the available resources as fair as we possibly can, and we will do so again in the upcoming year and the NRA will meet with the representatives to find out what their priorities are compared to what the NRA's priorities are and between them make the decision on how to spend the resources that will be available to them.

Madam Speaker, the George Town Revitalisation Plan, we have spoken a lot about that. The NRA is going to be integral within the next couple of years with that.

The other major project that we want to ensure that happens within this fiscal year coming is the Linford Pierson Highway.

The Speaker: Honourable Minister, you have 11 minutes left.

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

We hope to be able to get that to be both lanes, both sides from the stop light at Bobby Thompson Way, going straight up to the Tropical Gardens, round about, and that will make the traffic coming from east and going from east at peak times, flow a lot smoother.

[Pause]

Hon. D. Kurt Tibbetts: Madam Speaker, in the few short minutes that I have left, let me just speak quickly to the ERA.

The ERA completed the 36 megawatt solicitations process for firm power, and as we all know by now, CUC was the top-ranked bidder and, of course, the ERA published a comprehensive report on how the bids were evaluated and how they arrived at their decision.

Madam Speaker, they have increased the CORE [Consumer Owned Renewable Energy] programme which was set at two megawatts. They have increased that to three megawatts. Madam Speaker, there have been cries from stakeholders to increase that to 10, and perhaps today I won't have sufficient opportunity to explain that whole thing, but let me say this. The Government and the ERA, we certainly do not have any desire to not allow renewable energy to not only succeed, but to thrive in the Cayman Islands,

and the supply of such. But, Madam Speaker, just like with water, we have a responsibility to consumers, both private and commercial to ensure that they get the best price possible for their electricity consumption.

The CORE programme is subsidised by you and I, Madam Speaker, and everybody else who is sitting in here. A lot of people do not realise that and they are led to believe that you can increase the CORE programme for renewable energy to any degree you wish and it is going to benefit everybody. But, Madam Speaker, the way the agreement is with Caribbean Utilities, there is a certain price that they pay for the electricity produced and put back through the grid via the CORE programme. And that price is several cents more per kilowatt hour than the price that CUC charges all customers for electricity. Therefore, all of us have to pay for that difference because CUC is not paying for the difference. That is not part of the arrangement. In working how they bill us, that amount that is paid extra to people who are in the CORE programme is factored into their cost, which then we pay.

[Inaudible interjection]

Hon. D. Kurt Tibbetts: From the rate base. Thank you.

So, Madam Speaker, it is a juggling act at present. There are ways and means to support CORE and to support renewable energy. In fact, I believe, they are on the brink . . . I want to say this very carefully because I know no final decision has been made, but I think that is a safe comment to say that CUC is now very close, once the information that is received by the ERA is positive, which is what they expect. CUC will be able, very shortly, to agree on a new power purchase agreement, for five megawatts of solar power from the proposed solar farm in Bodden Town.

The fact of the matter is that while it is in itself a ticklish subject—let me say this very clearly, Madam Speaker. If people would be fair, F-A-I-R, about the situation, I know that everybody is defending their own turf and everybody is promoting their own turf, but people have to understand with clarity that the Government's responsibility is to the consumers of the country. And while we can encourage renewable energy and alternative energy sources, we have to ensure that there is a balance between what is paid for the supply of that electricity and who pays for that electricity. So that is what we have to make sure of. And we will be conscientious in all of our decision-making processes with regard that, Madam Speaker.

Madam Speaker, there are many other things but I am sure everybody has faced the same thing I did. I have tried to get as many points as I could across during the time that is limited to me. I want to thank you for your indulgence. I want to thank Mem-

bers of the House who, whether they like it or not, had to listen to me (that is, if they chose to).

I hope, Madam Speaker, that, I have given some insight as to some of the work that is going on in my Ministry. I want to thank all of my staff, again, for all of their continued hard work and I certainly look forward to a continuing programme with all the things that we have to do in the Ministry and being able to accomplish good things for the people of the country.

I especially thank God for allowing me this opportunity, and the people of the country for allowing me to serve once more in the Cabinet. I think by now, Madam Speaker, you know and the rest know, I am a team player. We are going to sail the ship the best way we know how. We are going to get it there as fast as we can, but we are going to get it there safely.

Thank you very much.

The Speaker: Before I call any other Member to speak, I think that out of the abundance of caution I ought to seek to clarify a procedural point in the debate.

Last year, as I recall, the Honourable Premier was the last to speak. And that is the intention for it to proceed today, so I will call, if any other Member wishes to speak. There are three remaining Members to speak, excluding the Honourable Premier. So, when I call, if there is any other Member who wishes to speak three times and final time, that will include the two Members for West Bay, and the Honourable Financial Secretary, at which time . . . sorry; the Honourable Minister of Finance. I beg your pardon. And should persons wish to exercise that right, we will hear those Members and after that we will have the winding up by the Honourable Premier, based on the precedent that occurred last year.

So, does any other Member wish to speak?

[Pause]

The Speaker: Does any other wish to speak?

I recognise the Honourable Minister of Finance.

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

Madam Speaker, with respect to the conclusion of the second reading of the Appropriation Bill before the House, I would like to thank all Honourable Members for their support of the Bill and for their debate on the Throne Speech, the Honourable Premier's Policy Statement, and my Budget Address.

Madam Speaker—

[Pause]

Hon. Marco S. Archer: My apologies, Madam Speaker, I am just trying to . . .

Madam Speaker, Honourable Members that made a contribution to the second reading of the Bill, either stated their explicit support of the Bill or there was an absence of any explicitly stated opposition to the Bill. However, Madam Speaker, there are certain aspects of the Honourable Leader of the Opposition's contribution that I would like to address.

The Honourable Leader of the Opposition painted a picture to the House and the listening public that much of the current Government's success was derived from revenue measures implemented by the former United Democratic Party's [UDP] administration and that these measures were not reversed by the current Government. Madam Speaker, I will demonstrate that the two administrations are quite different and that is both with respect to revenues and expenditure.

Madam Speaker, when the PPM Government was in power between the years 2005 to 2009, several measures were taken to reduce the cost of electricity to the residents of the Cayman Islands. These measures, which were a part of the negotiations for the new licence with CUC, removed the 4.7 per cent hurricane surcharge from consumers' monthly bills, and further reduced the consumer base rate by 3.25 per cent. But the PPM Government, Madam Speaker, did not stop there. To bring further relief to the citizens of the country, the Government also instituted a programme to rebate CUC twenty cents per imperial gallon on the amount it was paying for import duty on diesel used for generating electricity. The combined result of those efforts, Madam Speaker, was an overall reduction of approximately 15 per cent to the amount consumers were paying for electricity. Madam Speaker, that was in the year 2008.

In the following year, the United Democratic Party Government was elected. One of the first acts of the UDP Administration was to reimpose the twenty cents per gallon duty and thereby eliminate the rebate that was helping to provide relief to consumers. In addition, in the 2011/12 Budget, they added a further twenty-five cents for the fuel duty, increasing it to seventy-five cents per gallon. That seventy-five cents per gallon, was the highest rate in the region at the time, Madam Speaker. As a result of these measures, they were pulling a significant amount of money, or extracting a significant amount of money, from the citizens' pockets due to the taxes on imported fuel.

In contrast, under this Progressives-lead Administration, our plan is for Government to forsake \$16.8 million of Government's revenue during the period from the 1st of January 2015 to the 30th of June 2016. This is \$16.8 million being added to the citizens' pockets, and disposable income for people to spend locally, Madam Speaker. I would just add that the \$16.8 million is significantly more when you factor in the multiplier effect of the disposable income in the hands of consumers. Moreover, this is an annual on-

going effect, adding to the economy as opposed to extracting from it.

Madam Speaker, the Foreign and Commonwealth Office [FCO] also communicated with respect to the revenue measures implemented for the 2012/13 fiscal year, that it was good practice when developing new revenue measures to make cautious assumptions about the potential size and scope of revenue that can be raised. The FCO further stated that causing a 20 per cent increase to revenue in one fiscal year was not a common approach by global standards for the public sector. The FCO insisted that the estimates of additional revenue from revenue measures for the 2012/13 fiscal year be discounted by 25 per cent. Therefore, for the 2012/13 Budget, a 25 per cent discount factor was applied to the proposed revenue measures.

Under the Progressives-lead Administration, Madam Speaker, the FCO did not have to request any discount on the Government's revenue estimates since this was the approach that we adopted from the outset when forecasting revenue.

In summary, Madam Speaker, with respect to revenues, the Progressive Government takes a conservative approach and will seek to forsake some of its revenue to bring relief to citizens, whereas the former United Democratic Party Government reduced the citizens' disposable income through increased taxation.

Madam Speaker, with respect to expenditures, the two Governments, again, are not the same. Madam Speaker, the PPM's term ended in May 2009. The Budget for the fiscal year 2008/09 showed operating expenditures of \$503.1 million. The former UDP Government administration's last Budget was for the fiscal year 2012/13. That year's Budget showed an operating expenditure of \$569.1 million, or an increase of \$66 million, or 13 per cent, from the base position of 2008/09.

The movement in finance expenditure, Madam Speaker, can be cited to illustrate a significant increase in cost that occurred during the term of the former United Democratic Party's administration. The 2008/09 Budget indicated financing expenses of \$13.4 million. The UDP's first Budget was for the year 2009/10, and this indicated that financing expenses would be \$20.7 million, or an increase of \$7.3 million, or 54 per cent, Madam Speaker. To be precise, 54.5 per cent increase.

The last Budget for the former UDP administration was for the fiscal year 2012/13. That year's Budget showed financing expenses of \$32.8 million. When compared to the 2009 Budget, the \$32.8 million in financing expenses was an increase of \$19.4 million, or a growth rate of 144.8 per cent.

Madam Speaker, during the UDP's administration, there were also significant increases to personnel costs. In its 21st of May 2015 article entitled "Government personnel costs to increase by \$20 mil-

lion” the *Compass* indicated that personnel costs increased from \$213.3 million, with respect to the 2011/12 fiscal year; \$238.9 million for the 2012/13 fiscal year. This movement in one year represents an increase of \$25.6 million, or a 12 per cent increase, and it falls squarely on the UDP’s term in office, Madam Speaker.

The main reason for this increase is that the FCO insisted that the UDP make a meaningful contribution in the 2012/13 Budget to the Government’s past service pension liability payments. This matter increased costs by \$15 million, and this accounts for the majority of the \$25.6 million, the increase noted in the *Compass* article.

In the years prior to the 2012/13 Budget, the annual contribution by the UDP was less than \$2 million for each year. Madam Speaker, contrast that position and those payments with the annual contribution by the PPM between the years 2005 and 2009, of approximately \$15 million contributed each year for the past service pension liability.

The Progressive’s first Budget in the 2013/14 year showed operating expenditure of \$549.3 million. This represented a decrease in operating expenditure of \$19.8 million from the former UDP Government’s operating expenditure of \$569.1 million for 2012/13 fiscal year. The Progressive’s further reduced operating expenditure with respect to the 2014/15 fiscal year. That year’s Budget showed operating expenditure of \$536.8 million. This latter amount represented a reduction in operating expenditure of \$12.5 million when compared to the 2013/14 Budget. And, Madam Speaker, we reduced expenditure without cutting jobs. We simply looked for ways to reduce the wasteful spending, Madam Speaker.

[Inaudible interjections and laughter]

Hon. Marco S. Archer: Madam Speaker, I will be fair to the former administration and say that the wasteful spending that we eliminated did not necessarily relate to anything that any administration would have done. It is looking for ways that we could actually reduce expenditure, and I will illustrate that as I continue.

To illustrate this progression toward reduced operating expenditure by the Progressives, let me outline the movements with respect to the Nation Building Fund [NBF]. The Nation Building Fund was first introduced by the UDP in 2009/10 under appropriation as TP 52, “After School, Young Leadership, Sports, and Other Assistance”.

The description was changed the following year, 2010/11, to “Promotion of Nation Building and Church-based Support”, and, finally, in 2012/13, to “Promotion of Nation Building [Fund]”. The following amounts were appropriated to TP 52. During the 2009/10 fiscal year, an amount of \$2,400,000 was appropriated. For the 2010/11 fiscal year, an amount of \$4,300,000 was budgeted. During the 2011/12 fis-

cal year, an amount of \$3,069,492 was appropriated, and for the 2012/13 [fiscal year], an amount of \$4,500,691.

The total amount appropriated to TP 52 from 2009/10 fiscal year to 2012/13 fiscal year was \$14,270,183. Under [the] Progressive Government, appropriation to TP 52 have been reduced significantly, Madam Speaker, for the purpose of aligning some of the payments, especially the scholarships, to conform to the Education Scholarship Programme that existed and was managed under the Education Ministry and Department of Education. So, therefore, Madam Speaker, appropriations to TP 52 under the Progressive Government, as just stated for the period, would total, since taking office, \$4,282,775, which is significantly less than the \$14 million under the previous UDP administration.

Madam Speaker, another illustration of the efforts of the Progressive Government has made to reduce operating costs is the success achieved at reducing financing expenses. In early 2014 the Government negotiated lower fixed interest rates for five of Government’s existing loans held with the local commercial bank. For the fiscal year 2013/14, C\$600,000 in interest cost savings were realised. The total savings over a 10-year period are expected to total C\$6.2 million. Madam Speaker, since the Progressive administration took office in May 2013, we have made a number of decisions that will reduce costs across the entire public sector, and other decisions made will reduce costs for the private sector as well. To summarise those, Madam Speaker:

1. We renegotiated interest rates on loans: The interest rates of five loans with the local commercial bank were renegotiated resulting in lower financing expenses.
2. Realignment of the Nation Building Fund: The Nation Building Fund is now realigned with the standard Education Scholarship Programme resulting in proper processes and procedures in the awarding of scholarships.
3. The Voluntary Separation Programme. This programme successfully reduced the personnel headcount without negatively impacting service continuity.
4. Supplies and consumables were decreased: Reductions were achieved in the areas of official travel, attributed to a new travel policy that was put in place. Professional fees, advertising, and leases by relocating various departments into the Government administration building. These departments no longer pay rent to a third party, resulting in savings to the Government. These departments, just to name some of them, are the Department of Tourism and Legal Department.
5. Establishment of a Procurement Office: When recommendations from the Procurement Office are accepted, those decisions will maxim-

ise the buying power of Government and its price leveraging by pooling procurement to ensure that goods and services are obtained on the best possible terms thereby reducing the cost to the Government and the country, Madam Speaker.

6. Increase monitoring of statutory authorities and Government companies: The Government's mandate that SAGCs [Statutory Authority and Government Company] make sustainable changes. Meetings with statutory authorities and Government companies and more meaningful monthly reporting to the Treasury, along with a Government mandate that all SAGCs review their operations and implement credible and sustainable changes have resulted in greater efficiencies and improved financial performance from the SAGCs, Madam Speaker.
7. SAGC US dollar exchange cooperation: Madam Speaker, since some of the SAGCs collect most of their revenue in US dollars, but have expenditure in CI dollars, while others collect the bulk of their revenues in CI, but purchase large quantities of US dollars from the local banks for their overseas expenditure, collaboration and cooperation is now being encouraged, where those SAGCs with excess US cash will sell to those SAGCs in need of US cash at an exchange rate that is beneficial to both parties, and cost reductions result from such cooperation, Madam Speaker.
8. The entire public sector cash management programme and elimination of overdraft facility: With respect to the 2013/14 fiscal year, deposits from three SAGCs with the Treasury Department, in addition to revised timing for the incurrence of major capital expenditures through the third quarter of the 2013/14 fiscal year enabled Government to better manage its cash resources, thereby minimising the use of the overdraft facility during the 2013/14 fiscal year, which resulted in reduced costs associated with using the overdraft facility. The overdraft facility was eliminated for the 2014/15 fiscal year and onwards, Madam Speaker. Government does not intend to have an overdraft facility.
9. Refinancing and paying off of the bullet bond. Government has insisted that whenever possible, bullet bonds should be refinanced before their maturity dates. This reduced costs in the public sector, Madam Speaker.
10. The Vehicle Procurement Policy: Previously, Government agencies were able to specify departmental vehicles according to their own personal preference. This resulted in options and features, such as leather, CD players,

touring packages, et cetera, with all the bells and whistles, Madam Speaker. These were not necessary for the purpose of the vehicle. By standardising vehicle procurement, the Government is now able to procure vehicles which are fit for purpose, and at a lower cost to the country.

11. Personnel costs. The Government implemented annual savings targets for agencies to achieve in the area of personnel costs. This was to be achieved by strategically managing the points at which new staff is recruited and justifying the need to fill a vacancy once a staff member has left the civil service because of retirement or otherwise.
12. Health care costs: CINICO was challenged to keep its annual health insurance rates for civil servants unchanged for three fiscal years while finding more cost-effective ways of delivering health care coverage.
13. Unnecessary contributions to certain bodies: Madam Speaker, we evaluated contribution to certain bodies. Madam Speaker, we evaluated contributions to certain regional entities, the Government has scrutinised requests for payments of annual subscriptions to regional bodies and the denial of such requests when appropriate has resulted in cost reductions.

Madam Speaker, during my 2014/15 Budget Address, I announced that the Government would be implementing the following economic measures, which are designed to lower the cost of doing business and living here in the Cayman Islands.

1. Reduce import duty on diesel fuel used by CUC to generate electricity.
2. Reduce import duty on consumable items for licensed traders.
3. Reduce trade and business licence fees for small business licensees.
4. Continuation of current incentives for the sister islands. These incentives will continue into the upcoming 2015/16 fiscal year.

Madam Speaker, I believe that I have adequately demonstrated the Progressives-led Government outlook on revenues and expenditure is different from that of the outlook of the former United Democratic Party administration. Madam Speaker, I may add that not just different, but superior too.

[Inaudible interjection]

Hon. Marco S. Archer: Madam Speaker, I have not commented on the valuable contribution made by each Honourable Member that spoke to the Bill, but that does not mean that their debate and their points raised were not appreciated. The public has heard

those contributions and Honourable Ministers would have addressed the matters raised in their contributions. Moreover, I expect that further scrutiny will occur during Finance Committee.

In conclusion, Madam Speaker, the Appropriation Bill and its supporting Budget documents laid on the Table of this honourable House represent a responsible approach to administering the finances of the Cayman Islands Government. The 2015/16 Budget is expected to comply with all of the ratios specified in the principles of responsible financial management and are stated in a Public Management and Finance Law that now incorporates the Framework for Fiscal Responsibility. This is a tremendous achievement that should not be understated, Madam Speaker; the most powerful effect of which is that it adds to investor confidence in the Cayman Islands, which in turn will result in an ever-improving local economy and opportunities for our people. Madam Speaker, the Government looks forward realistically to a brighter future for the Cayman Islands and will continue endeavouring and striving for this realisation.

In conclusion, I wish to thank all Honourable Members for their explicit and tacit support of the Appropriation Bill now before the House, and respectfully ask that they so vote for the Second Reading of the Bill. Madam Speaker, assuming the House approves the Second Reading of the Appropriation Bill when the vote is taken, it is intended to start Finance Committee proceedings tomorrow, Friday the 29th of May, at 10:00 am.

Thank you, Madam Speaker.

The Speaker: Does any other Member wish to speak?

I recognise the [Third] Elected Member for the district of West Bay.

[Pause]

Mr. Bernie A. Bush, Third Elected Member for West Bay: Madam Speaker, thank you.

I stand here today, not to necessarily speak about what was in the Budget, but about what people are not seeing that is in the Budget. Madam Speaker, I've always understood that Government in its present form was formed for three basic things: 1) Protect the property of the people; 2) protect the liberty of the people; and 3) protect the lives of its people; hence, the police, fire, prison, hospital, et cetera.

Madam Speaker, I want to agree totally with what the First Elected Member for Bodden Town said; that what these Ministers have presented is all good, but what is the good of all of that if crime is still so rampant? People in this country are concerned about this. And, Madam Speaker, this is where I see a lot missing in the Throne Speech. Now, let it be straight, this is not according the Constitution, the Premier only has the money for it, but this falls under the gamut of

the Governor. We already know that she sees him doing a good job.

Madam Speaker, I have no intention of getting into anything personal with what I have seen going on here a few times. What I have seen over the last few days and listened over the last days at times, I could not believe that it was a Budget that we were going after. I thought it was a campaign. But there are a few things that we cannot spin or deny, Madam Speaker. One is that we know which Government put us in this hole. We know which Government had to do what to start to get us out.

Madam Speaker, I would like to halt here for a second and say congratulations to you because when I looked at the Pre-Election Economic and Financial Update document for fiscal year 2014/15, the Government operating surplus was forecast to be \$135.8 million. Then, I looked in this one that was presented to us this year and I see \$134.6 million. Madam Speaker, let me commend you for maintaining the course to keep Government finances on track from January to April 2013, when you took over from the previous Government where you were Deputy Premier to the now Leader of the Opposition. Madam Speaker, it shows us something was on the right trajectory from then.

What we can argue about is the different ways of getting there, and I think that is what is being going on here. I will not get into that. I have just arrived and I am not going to jump into a fight where I cannot be held responsible for what happened in the past.

Madam Speaker, I have sat here and listened carefully to everyone. There are a few things along the way that I will commend. I would like to commend the Minister for a well-organised and put together Budget. I know it cannot be easy in having to take it over to England, and he and his staff must be congratulated, must be commended.

Madam Speaker, one of the things that bothers me is that talking to the Members for North Side and East End is that crime has not gone anywhere in the downward swing at all. And I have the figures here, Madam Speaker, \$34.6 million . . . sorry, yes, \$34.5 million, \$36 million, and \$36.7 million. But, yet, solving of crimes has gone 34 per cent, 36 per cent, and 23 per cent in those same years. We have given them the tools, and what have we gotten in return? Over the past year, just a million in payments alone for wrongful suits for the police force.

Some of the things that have gone on, where I have seen the courts throw out the imported police gun expert, but yet we have our own Caymanian who is well qualified, more qualified. Why do we have to bring in these people? I keep saying it over and over, Madam Speaker, we seem to be solving the unemployment problem in the UK. We are not solving ours.

Let it be clear once again. The Premier is constitutionally not responsible. I am not going to

stand here . . . every time I've stood here I've not tried to throw anything at the foot of any Minister when it is not theirs. I will do that again.

We have to find a solution and it starts with accountability, Madam Speaker. We know that a lot of people on the Government's side would be backing him no matter what, it seems. So, I feel it is time for us to stand together, stand for our country, and stand for our people, because, obviously, the job ain't being done by gold command. We just can't keep throwing money and we are not getting the results, especially, right here in these hallowed halls, this man challenged that he knew that every four years there is a spike in crime. I left it alone; I didn't want the public to feel that this was something personal. Common sense tells me, Madam Speaker, that if I know somebody is coming through my window on a Wednesday night, I will be setting for him on a Wednesday night. If you know who the 16 criminals are and you know the spike was coming, we should not have all of this.

To top it off, Madam Speaker, I have just been informed that one of the retired police officers from Tempura, that \$30 million weight on our backs, is about to be employed or is already employed and legal. I hope this is not true. But, like I said, we will solve the UK problems with unemployment.

Madam Speaker, when I heard the Sports Minister say something that I have not heard too often. He said that he was building on what he found. That was so good to hear someone say that. Then, I heard him say that the SSAG [Strategic Sports Advisory Group] was looking for four- to five-year plans to help with the policy. I want to let him know—I found it last night. When I was being a member of the Olympic Committee, for the last six years we have been asking all the various associations for those same plans—and I found a document from 2003, under the former Director of Sports, Dr. Dalton Watler, also asking them. So there should be some there in the files someplace, Minister. But it is a beautiful idea. Hold them accountable.

Madam Speaker, I listened intently to even when the Member for East End—I think it was (if I am wrong, I apologise)—talk about the bakery stuff. Madam Speaker, I was a former owner of a bakery, got robbed. But I have heard the people on the Government side talk about the waiving of duty on this and the material and things. That is all a waste of time. When I owned my bakery, I got a call from a bakery in Florida offering to do my breads, make the bread, bag them, label them, and could still drop them to me in Grand Cayman for seventy-five cents cost.

No matter what you do for the local bakeries with these waiving of duties and the materials, it won't help, unless, like the Member for East End (I think it was) who said you have to put duty on those imported breads if you want to help the local bakeries—plain and simple! I ran my bakery; it was moved to number one when it got robbed. Madam Speaker, I can tell

this honourable House, you cannot compete with those overseas. The local bakeries are putting pension, buying gasoline for your delivery vans. You are buying all the stuff locally, helping the local economy. But you cannot compete with the overseas bread. That is just letting the Government know that it is impossible. Good thought, good intentions, but it is not going to happen.

I would like to say to the Education Minister, thank you for the smart boards. It just saved me having to go and look for two more for my school in West Bay. And when she said that all of the schools will have them by opening in September, that made my day, because the smart boards are very useful and the children really love them, and it keeps them well occupied.

The other morning the Minister of Education had to answer three questions from the Member for North Side, and seven or eight people had to come down here, only to hear the Member for North Side say that he'd sent it five or six weeks ago to one of the gentlemen sitting in the back, and he couldn't answer those questions until the Minister had to bring eight Members of staff down here. These are the kinds of things that you have to address. All the good work is being thwarted by those types of individuals.

I didn't hear of any committee—because I know I hear a lot of committees being done to research things—being formed to try to find out why we have had an exodus of Caymanian teachers . . . or a committee who would look into teachers' salaries. And if you don't want to do it in that type of style, well, do it as an accomplishment of what you accomplish.

[Inaudible interjection]

Mr. Bernie A. Bush: Yes, sir?

[Inaudible interjection]

Mr. Bernie A. Bush: Okay. Thank you very much. I have just been informed by the councillor that there is a salary review for teachers. Thank you very much, Mr. Councillor.

I know in most organisations that when someone leaves, there is an exist interview. I have spoken to nine Caymanian teachers who have left in the past year, and not one of them had an exist interview. Not one!

Madam Speaker, we have to find out why our Caymanian teachers are leaving. Thank God that we have had some good teachers come here from overseas because there is an African saying that, *Only a fool lets the enemy educate his children*. Thank you, Lord for the good overseas teachers that we have had here from certain places, whom we know that are not enemies. We have to get more of our own into teaching; plain and simple. Who don't like it—they don't like it, but we need more. And this is not putting down an-

yone, or being unthankful for those who have paved the way, because every profession begins with teaching and every one of us were taught.

I was listening to see where an answer would come from concerning jobs and the wanton disregard for the laws that are in place, some of these businesses and how they are treating Caymanians. I, myself, have walked numerous people in, but there is one that stands out in my mind. I took a young lady, because the business she was in was closing down, was looking for a job, but had no job, with two young children. The young lady is bilingual, was a supervisor, closed down the business at night, did the cash, did ordering—everything. I took her to one of the local fast food restaurants to be interviewed. She was interviewed. I waited until she had finished. She was dressed nice and very professional. She was interviewed by someone from a faraway land, and during the interview was asked, *Are you looking for a job, or are you looking for a career?* Only to find that later when I did my homework, that that person from the faraway land who did the interview, had seven family members working in the business. She has yet to be called. But yet, when I took a 15-year-old school girl, who only wanted part-time work because she had to go to school, the job was given immediately. No threat to any of the family—part-time—no pension, no medical, all of that stuff. These are the kinds of things that the public wants addressed, but they are not hearing.

I have the case of the young lady who got a scholarship from Government. She went off and got a master's degree with distinction, came back. Three of the people who sat on the interview board who interviewed her, who all before she left said she was such a diamond, all of sudden couldn't find space for her. One of them, *Oh, I've got someone from the north who has been here for five or six years and knows the system.* Well, what? This young lady had a bachelor's in information technology, a master's in hospitality, and you tell me those two things couldn't combine for that job? Tsk! Tsk! Only in the Cayman Islands that someone of that calibre can be told by the NWDA, *Well, maybe you should go and start at Burger King or Wendy's.* The young lady has given me a diary of that whole episode, I have it laminated.

Madam Speaker, these are the kinds of things that I am looking for, that we are looking for, that the people out there are looking for and I do hope that it is found soon.

Things that people out there are looking in this same Budget to be explained: Why is it that more and more drugs at the hospital are not being found? You get there and all of a sudden, the next time you go back, *Oh, we don't have that drug anymore.* You are hearing this complaint over and over. And guess what? I see the Honourable Member on that side shaking his head; I am glad it is not me alone. And it happened to me personally with a simple blood pressure tablet. But when you see these kinds of things,

this is what gives people the ammunition, Madam Speaker, to say that the Budget is being balanced on the back of its people. They keep saying that, and I keep saying, *Look, things are tight. Try to understand.* People keep saying these things.

Like I said, I wasn't coming here today to go after any Minister or anything. And I appreciate the fact just now when the councillor informed me of the one thing that I didn't know. To wrap up my contribution, Madam Speaker, is the good news by the Deputy Governor on the civil service report. And I am happy to hear some of the things you heard, and I am hoping that the ICO [Information Commissioner's Office] decision—21-01212, Portfolio of the Civil Service and Office of the Deputy Governor, that I hope things like this will not happen again. The civil servants below say they want a chance too. But in speaking to people, things are working out good.

Madam Speaker, I would like to hope that in the future we don't hear statements like what I heard, that the Complaint's Commissioner was not good enough for us, but yet, she was good enough to go to do a job for 400,000 soldiers in the UK. Yes!

Once again, we hear of the 9 per cent that was cut in government whittling down. When that was said, within the next two or three days, all I am getting is Caymanians hitting me and saying, *I was in that 9 per cent. I am 60. Why is it that other people who are from other jurisdictions are over 60 and staying there? Why is it that they just renewed a contract for someone who is 60 and giving them the position of someone else as well, had been in a position for over 10, 12 years, and not one of us is ready to take over?* Madam Speaker, a lot of things can be said, but the people out there are looking for action. I keep on passing on what I am hearing, what they are telling me, what they are asking me. I keep asking the same questions.

Moment of interruption—4:30 pm

The Speaker: Honourable Member, we have reached the hour of interruption.

I recognise the Honourable Premier to move the suspension of Standing Order 10(2).

SUSPENSION OF STANDING ORDER 10(2)

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

Madam Speaker, I move the suspension of the relevant Standing Order in order that the business of the House may continue beyond the hour of interruption.

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

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

AYES.

The Speaker: The Ayes have it.

Accordingly, Standing Order 10(2) is hereby suspended.

Agreed: Standing Order 10(2) suspended.

The Speaker: I recognise the [Third] Elected Member for the district of West Bay to continue his debate.

Mr. Bernie A. Bush: I am happy to see the Member from East End has kept the tradition alive. We are hearing that “No” from the North East corner.

[Inaudible interjections and laughter]

Mr. Bernie A. Bush: Madam Speaker, like I said, I had no intentions of standing here and going after any of the Ministers, nothing like that. But I also want to take time to thank Minister Tibbetts on tackling the gas pricing problem. There are people out there [who] have been screaming about that. And I would like to pass on thanks on behalf of a lot of people.

[Inaudible interjections]

Mr. Bernie A. Bush: Correct. Like the Member from East End said: *It was people on this side that suggested that moment.*

[Inaudible interjections and laughter]

Mr. Bernie A. Bush: Madam Speaker, the Leader of the Opposition has told me from the very beginning, do not oppose for the sake of opposing. It stifled him for four years. I have no intention of doing that.

There is one other fact that I do know and that is that a lot of eyes in this country are finally being opened, and a house divided is a house that will fall. A lot of people that now realise that when you use the word “mother” these days, it doesn’t mean to say that it is your friend. So, Madam Speaker, simply said, we had better stick together because a lot of outside forces are out to bring this little country down.

Good luck to the Government with their Budget and God bless, and thank you, Madam Speaker.

The Speaker: The House will now suspend for 10 minutes.

Proceedings suspended at 4:36 pm

Proceedings resumed at 5:10 pm

The Speaker: Please be seated.

Does any other Member wish to speak?
If not, I will recognise the Honourable Premier.

The Premier, Hon. Alden M. McLaughlin: Thank you, Madam Speaker, for the opportunity to conclude the debate on the Government’s Policy Statement, Throne Speech, and, indeed, the Budget. I wish to thank all Members of this honourable House who have made the time and energy to contribute to the debate and to particularly thank at this stage, the Minister of Finance for winding up the debate on the Appropriation Bill.

Madam Speaker, in a true democracy such as we have, all sides of the House should be given ample opportunity to voice approval or disapproval of the Government’s policies. While I don’t always agree with everything that is said in the debate by those sitting opposite, I am pleased that we are serving in a democracy, where all sides are able to express their views. But, at times, Madam Speaker, the Leader of the Opposition does his best, in my view, to strain that privilege. And so I feel it is my duty to point out the erroneous statements made in his contribution and to remind this honourable House and the good people of these Islands of a few truths.

I find it troubling that his recollection of the events that transpired from 2009 to 2013, under the UDP administration is so off-track. Does he not realise or can he not admit that the UDP lost the 2013 elections because the voters of this country lost confidence and perhaps felt betrayed by his leadership as Premier and Minister of almost everything? I believe, Madam Speaker, he is only misleading himself. I have to admit, that I found his contribution to the debate quite extraordinary. It was my understanding that the House was debating the vital question of this Government’s Budget and our plans for the future of these Islands. However, it appears that the Leader of the Opposition was of the understanding that we were debating the record of the 2009 to 2013 administration. Therefore, the debate offered him an opportunity to rewrite history and attempt to justify the failings of his administration. His reasoning for doing so, he said, was because of the personal attacks I made against him during my Policy Statement, which he claimed formed “such a large percentage” (quote/unquote) of my speech.

Madam Speaker, because I wanted to be fair to the Leader of the Opposition, I went back to my Policy Statement and did some checking. I found six references to the UDP Government in my comments, but I could find only one reference to the Leader of the Opposition—just one. At most I talked about him for a total of 85 words—85 words, Madam Speaker, in a speech that ran to more 8,800 words. I make that to be less than 2 per cent of my speech, but maybe, anything said about him is too great a percentage for him to bear.

Madam Speaker, I am happy to remind this House exactly what I said in those 85 words. And I quote from the Policy Statement.

“Some politicians opposite, particularly the Leader of the Opposition, appear more comfortable being stuck in and living in the past, fighting the same wearisome old battles of yesterday. That attitude and approach achieves absolutely nothing for the people of the country. It does the opposite and ruins the prospects for the people and the Country. But the country can rest assured that neither I as Premier nor the Government as a whole will be distracted from our duty and mission by political stunts and sideshows by those whose future is now well and truly past.”

Madam Speaker, in reviewing a copy of the Hansard transcript of his speech, that is, the Leader of the Opposition's speech, I dare say that an extremely large percentage of his debate was taken up talking about the 2005–09 or 2009–13 administrations. With his own mouth he has proven that my criticisms in those 85 words were well founded.

Madam Speaker, I also said in the Policy Statement that we cannot go back to the personality politics and a Government focused on self-aggrandisement and political survival. Does the Leader of the Opposition even know how many times in his debate that he talked about himself or referred to the last administration as his own Government? To save him and everyone else having to read it all again to count, I will give just one example of the problem he has. Near the very beginning of his speech, he actually said, referring to himself, **“Madam Speaker, when I was the Government.”** I will say that again. “Madam Speaker, when I was the Government.” I will leave others to decide whether that is personality politics and self-aggrandisement. The Leader of the Opposition, Madam Speaker, was indeed the Minister of everything.

When he did finally have something to say about this Government, Madam Speaker, he seemed to be saying that everything that we have worked so hard for, and so proudly achieved, was somehow to his credit. He is wrong, Madam Speaker. As you know, we are at the mid-term of this administration, and while the past two years have passed swiftly, indeed, Madam Speaker, sometimes it seems in a blur, during that time we have done many things to right the wrongs made under the leadership of the now-Leader of the Opposition.

Madam Speaker, this Progressives-led Administration has made excellent progress over the past two years in moving forward with our plans for this term. If one was to line up this mid-term report with the Manifesto of the Progressives, one will quickly see, Madam Speaker, that we are delivering on the promises we made. That is progress, Madam Speaker. Progress that includes and indeed is built on turning around an economy that was at a standstill under

the UDP administration into an economy that is stronger, more sustainable, and growing, with GDP up a respectable 2.1 per cent this year and with all indicators pointing to a further increase next year and beyond. The US, by comparison, which has one of the largest and most diversified economies in the world, recorded a 2.2 per cent growth at the end of last year. So, all told, given our size, comparably, we are doing very well and we are set to do better as the economy continues to pick up.

Along with an improving economy, we also have a private sector that once again believes that it can trust Government to keep its word and to negotiate in good faith and stand by its commitments. This renewed confidence, Madam Speaker, coupled with our good stewardship of Government finances, and an overall feeling of stability, has helped create an atmosphere that fosters business confidence and that attracts private sector investment. This confidence and stability was severely eroded under the UDP administration when it was led by the now-Leader of the Opposition.

This confidence, Madam Speaker, has returned and so we now see several major private sector initiatives comfortably moving forward or coming to the fore, and creating jobs and further building confidence. Each and every one of these projects has benefited from this Government's support and encouragement. We have also worked hard to enable growth in the financial services industry and tourism, as well as encouraged and assisted small businesses to help them grow as well. All of this is helping bring back jobs lost during the recession. And employment will continue to improve once the new business projects come online, and as the small business sector again begins to grow, along with the pillar industries of financial services and tourism.

Of course, Madam Speaker, there are various efforts to encourage new market segments such as the new Maritime [Services] Park that will be set up in partnership with CEC [Cayman Enterprise City], and others such as Tech City, which will look to serve as a health care and technology incubator, and so help attract new businesses to Cayman. All of these will not only create hundreds of job opportunities for Caymanians, but will also bring more revenue to Government enabling further reductions in tax on business and individuals, or an increase in needed benefits for our people. This progress, Madam Speaker, has not happened by chance or luck. It is the direct result of this Administration's sound and sensible planning and our disciplined implementation of those plans.

Madam Speaker, let me outline the basis of those plans again to assist the Leader of the Opposition. As I mentioned, our main goal and focus was to turn around the economy and to promote strong, sustainable economic growth for the benefit of all Caymanians. These strategies, Madam Speaker, were:

1. Establishing and maintaining effective framework of governance and financial stability for Government, which have the effect of improving openness and transparency; increasing public confidence in Government; maintaining fiscal responsibility; improving efficiency and effectiveness of Government operations; reducing the overall size of Government, and increasing customer satisfaction with public services.
2. Supporting the growth of financial services and tourism; achieving positive growth in both key sectors; delivering key improvements that support growth; ensuring effectiveness of legal and regulatory frameworks; and improving Caymanian representation at all levels in the workforce.
3. Developing the required infrastructure through direct investment and by supporting the private sector-
 - a. by investing directly to achieve defined benefits; supporting appropriate private sector investment; and producing a strategic plan for the islands to guide all future development.
4. Fostering positive business environment that incentivises entrepreneurs and minimises the cost of doing business.
5. Ensuring the benefits of growth are felt by all parts of society by improving education skills; ensuring welfare programmes are effective; reducing unemployment; improving living standards; reducing the burden of duties on households; improving health and well-being; improving social cohesion; and improving community safety.
6. Balancing economic growth with the necessary protection of the environment.

Madam Speaker, compare where we are today to the chaos that reigned when the now-Leader of the Opposition was Premier. Madam Speaker, I mentioned at a recent gathering that I would be a very rich man if I had a dollar for every time in the recent past that someone has stopped me and said, *“Al, things are not perfect, but they sure have gotten better, and the stability is good too. I no longer wake up every morning wondering what the latest scandal or outrageous announcement is going to be.”*

Madam Speaker, when things are stable, stability might seem like a small thing, but really, it is not small at all.

Madam Speaker, let us reflect for a minute. The now-Leader of the Opposition has served in at least four administrations as a Minister, and had responsibility for a portfolio of a long list of subjects. By my count, Madam Speaker, three of the administrations in which he served did not survive the term with the administration intact. There was an administration

of 1996 to 2000 when the Leader of the Opposition served, I believe, as what was then called, the Member with Responsibility for Community Development, Sports, Women’s and Youth Affairs and Culture. Members of this honourable House, Madam Speaker, will recall that in the wake of the First Cayman Bank failure, the Leader of the Opposition, then a member of Executive Council, resigned.

Then, Madam Speaker, there was the administration of 2000 to 2005, with time added on due to Hurricane Ivan, when he served as Member with Responsibility for Tourism, Environment and Transport. Madam Speaker, the now-Minister of Planning, Lands, Agriculture, Housing and Infrastructure was then the Leader of Government Business from November 2000 to November 2001.

It only took a year, Madam Speaker, for the now-Leader of the Opposition to cause to be brought to this honourable House a motion to revoke the election of the now-Minister of Planning to the Executive Council and to cause things to be changed so that he became Leader of Government Business and led that administration, or the revised administration, from 2001 to 2005. Madam Speaker, I was a newcomer to this House at the time and that has been one of the most valuable lessons that I have ever learned in my life in politics.

Madam Speaker, of course, there was more recently the administration in which the now-Leader of the Opposition served as Premier from 2009 to 2012. Madam Speaker, all will remember that on a vote of no confidence by this honourable House the now-Leader of the Opposition was removed as Premier on the 18th of December 2012.

So, Madam Speaker, three of the four Cabinets, or Executive Councils in which he served, never survived the full term intact. That, Madam Speaker, speak volumes about the instability that ensues when the now-Leader of the Opposition is anywhere near the leadership of the affairs of this country.

Madam Speaker, the lesson that I have learned and I hope this country has learned, is just what a destabilising effect the now-Leader of the Opposition has on any Government. His disregard for following proper procurement process, his political interference, his mismanagement of the country’s affairs in finances, and his magnetic capacity to attract scandals caused the country endless concern and grief.

Madam Speaker, in case anyone thinks that I am manufacturing this, one need only think about the \$4 million-plus cost overruns from the Royal Watler Cruise Project; the \$1.65 million that the Auditor General noted was wasted during the construction of the Boatswain Bay Project; the mess caused in the aftermath of Hurricane Ivan, including what the Auditor General noted was a loss of some \$20 million to \$58 million given up in the insurance claims by Government from the hurricane. The \$450,000 wasted in the

Cohen Associates loan refinancing deal. And there is the \$2.5 million paid to GLF [GLF Construction Corporation] for breach of contract over the building, or over the contract to build the cruise berthing mega pier that that administration, the UDP administration, was proposing.

Madam Speaker, the Leader of the Opposition believes that the country has forgotten what a disaster he was when he served as Premier. Indeed, Madam Speaker, he seems to be of view that his time of Premier was one filled with many successes. Take the Dart agreement as just one offering. He used their agreement with Dart as an example of the steps the 2009 to 2013 UDP administration was forced to take because of the financial crises they inherited.

Madam Speaker, this Government, and I personally, have spent many hours in discussions with Dart to improve the agreement and to get a better one for the country that did not include Dart retaining 50 per cent of the hotel room tax. I don't blame Dart for seeking to get the best deal they could, but I do hold the now-Leader of the Opposition and his administration responsible for not doing the same for this country. I am grateful that the management of Dart realised that this administration, while serious about the need to improve the agreement, also realised that we are a Government that can be trusted to negotiate in good faith. It is, Madam Speaker, the Progressives-led administration that has renegotiated and finalised the third amendment to the controversial National Roads Authority Agreement, which the previous administration made with Dart.

Madam Speaker, another example of where this Government has had to renegotiate because of an initial bad deal dealt to our own people, is that of an agreement with Cayman Enterprise City, which was agreed by the UDP administration when the CEC was owned and operated by the initial investors, including one Jason Blick.

Madam Speaker, CEC in recent years is under new ownership and management and the performance of the zone has improved greatly. But the fact is that, until recently, the original agreement remaining in place was preventing Caymanian businesses from entering any market segments that were included in the original CEC, that is, Cayman Enterprise City, as exclusive to the zone.

Madam Speaker, as has been previously reported, CEC has renegotiated its legal agreement with Government to now allow Government the ability for reasonable flexibility in allowing other businesses, especially Caymanian businesses, to have access to the market segments that were locked down by the original agreement. In return, CEC was provided the ability to cater to other types of businesses and Government has partnered with them to introduce a new feature, a Maritime Services Park.

Madam Speaker, this Government has indeed carried on some of the things begun in Government

under the UDP. We have only done so when they have been right for the country. Support for Health City is a good example. But, Madam Speaker, the Leader of the Opposition should not be surprised that we carried this forward, as the Progressives supported it from the outset. There are other things that we have kept going, but in name only, just so we could snatch them from the jaws of failure. Yes, Madam Speaker, the UDP administration may have implemented them, but they did so very badly.

Madam Speaker, since his own speech opened up the topic, I will just contrast this Government's willingness to maintain or adapt programmes that are right for Cayman, whoever thought of them, with the approach taken by the incoming UDP Government in 2009. Then, the UDP just threw out everything the previous administration had introduced. I will give one very strong example.

Our administration had set up good, solid education reform, including, Madam Speaker, having passed the Education Modernisation Law in March of 2009. The UDP's failure to follow through with what we begun, has set the country back years, and damaged the chances of hundreds children. Madam Speaker, shortly, the Minister of Education will be bringing a revised form of the Education Modernisation Law back to this House for passage of a new Bill, but a Bill, Madam Speaker, which retains the structure and most of the provisions of the law that was passed in March of 2009. But, Madam Speaker, we will have lost more than seven years. That is just one prime example and reason why this country cannot risk the UDP—or the CDP or whatever they will be calling themselves in the next election—ever being in Government again.

Madam Speaker, the Leader of the Opposition in his debate chastised this Government for not reducing the fees and duties that were raised by his administration, with the exemption of fuel duty surcharge. But we have managed, Madam Speaker, to reduce the fuel duty surcharge, not just for the twenty-five cents per gallon cut we were able to give the country in January, but a further twenty-five cents in January coming. Next year customers of CUC will have seen their power bills reduced because of this Government's efforts to right the unfair tax imposed on all of us by the UDP, who added more than \$100 million to the tax burden of this country in a three and a half year span.

Madam Speaker, this Government has also eased some of the financial burden the UDP imposed on businesses, especially small businesses, meaning, they aren't having to close their doors, and that they are now able to turn a profit, and that they are now able to hire willing and able Caymanians to work. Madam Speaker, this assistance included reduced trade and business licence fees as an incentive to support the creation and development of new businesses by offering discounts to small businesses

based on their location. George Town and West Bay got a 25 per cent discount; Bodden Town, North Side, East End, Little Cayman a 50 per cent discount; and Cayman Brac a 75 per cent discount.

Madam Speaker, small businesses—that is, those with 10 or fewer employees—were also permitted to pay the annual licence fees in quarterly instalments instead of the typical one-time full payment. We did this, Madam Speaker, because we recognised that in the current economic climate the requirement of a one-time full payment is onerous, since the annual payment is required during the period when cash flows are at their lowest.

Madam Speaker, we also reduced import duty on a vast array of goods from 22 per cent to 20 per cent for licensed traders. This additional 2 per cent, Madam Speaker, had been added by the now-Leader of the Opposition and his Government during their term.

And so, Madam Speaker, in stark contrast and despite the financial chaos we inherited, this Government has not raised any taxes and has no plans to do so now, or in the future. Instead, we have shown that we are willing to cut taxes when it is affordable to do so and will continue to look for opportunities to further reduce the cost of living as our financial strategy continues to be successful.

In another area, Madam Speaker, where this Government has had to pick up and mend fences, I will turn back the pages of history to the second sitting of the second meeting of the 2012/13 session of the Legislative Assembly, held on 7th of November 2012, when we specifically discussed the Public Management and Finance Law and the Framework for Fiscal Responsibility. Madam Speaker, As I said then, the then-Premier and now-Leader of the Opposition signed the Framework for Fiscal Responsibility with the United Kingdom Government, in particular, Madam Speaker, with the Overseas Territories Minister at the time, Mr. Henry Bellingham, on the 23rd of November 2011.

The agreement says, Madam Speaker, on its first page that subject to the agreement of this honourable House it will be incorporated into a revised Public Management and Finance Law, to come into effect by 1st July 2012. Madam Speaker, some Members of this House will recall that there was no discussion with the then-Opposition about the terms of this agreement in advance of its signature. None of us knew anything at all about what was transpiring within the inner sanctum of Government.

Madam Speaker, in his presentation, the now-Leader of the Opposition went on at considerable length about how he was forced to sign the FFR because he needed to get through the Budget. And this had been forced upon the Government of this country because of the mismanagement of the Government Finances by our previous PPM administration, that the UK had grave concerns about the budgeting process.

They had grave concerns about the borrowing. They had grave concerns about the debt. And if you listened to him back then, Madam Speaker, they didn't have any grave concerns about procurement, but procurement formed part of the agreement nonetheless.

Madam Speaker, as events unfolded, it became apparent that the financial conduct of the affairs of the country by the PPM administration from 2005 to 2009 had nothing at all to do with forcing this agreement. If that had been the case, Madam Speaker, why didn't the UK come after the PPM while we were in Government? Further, Madam Speaker, why did they wait until November 2011, more than two years after the UDP took the helm of Government before they insisted on the agreement being signed?

By that point, Madam Speaker, the now-Leader of the Opposition had presented three full Budgets to this House, and each had been passed. Madam Speaker, many in this House and those listening via radio, and television will remember that the now-Leader of the Opposition signed the agreement in a big hurry, and in great secrecy, and to this day, has yet to give the country a proper explanation of why he acted as he did when he executed the agreement.

We will recall that the great irony was that having signed the agreement, he then proceeded to steadfastly refused to comply with its provisions. He had problems presenting to the country a Budget that met the approval of the UK Government, meaning in the end, Madam Speaker, that, the Budget was actually presented to this House a full three months late. Once the UK gave its consent to the Budget, it put on a condition that the Framework for Fiscal Responsibility had to be incorporated into legislation.

The now-Leader of the Opposition's response was to take issue with certain provisions in the document and the absence of other provisions in the document and to say that experts had been telling him that this could have disastrous consequences for Cayman, if the FFR was incorporated without amendment as part of local legislation. Madam Speaker, that mulishness on the part of the Leader of the Opposition led to a letter from the UK Minister of Finance [*sic*] telling the now-Leader of the Opposition that if he did not pass legislation incorporating the FFR, without amendment, the UK would have to resort to what they called "alternative measures," which we had to interpret as meaning that they would legislate for the Cayman Islands by Order in Council.

Then, Madam Speaker, if you would recall, there was a mysterious letter purportedly signed by the now-Leader of the Opposition and allegedly sent to the Foreign and Commonwealth Office [FCO]. Strangely enough, neither the Governor nor the Foreign and Commonwealth Office could find any trace of having received the letter.

Madam Speaker, when he made his presentation in this honourable House, he was quite belligerent

and he made it plain that Minister Simmonds, who was the FCO Minister at the time—I said Minister of Finance earlier, Madam Speaker, I meant, the Minister with Responsibility for the Overseas Territories—that Minister Simmonds clearly did not have all the facts. Clearly, did not understand that he (the Premier at the time) was not going to be intimidated by the FCO. But, Madam Speaker, following that bravado, in a few days he did deliver a statement to the country in which he said that the big, bad UK Government and the evil leader of the Opposition—being me at the time—had forced him to capitulate and to agree to legislate the FFR in its original terms and indeed to back down on his determination to sign a contract with China Harbour for the construction of berthing facilities in George Town Harbour.

Madam Speaker, even when we received the Bill in the House it still did not address the major issues that concerned the UK Government. The whole issue of procurement practices within the Cayman Islands Government, which the UK was extremely concerned about under the UDP administration. Madam Speaker, it was clear then as it is today, that the UDP administration, especially the now-Leader of the Opposition who was then also Minister of Finance, had blatant disregard for the provisions of the Public Management and Finance Law, as it related to procurement. There was the situation with the Cohen financing, which had not been properly processed through Central Tenders Committee. The result was that a company that had been cherry-picked by the now-Leader of the Opposition wound up getting the contract, supposedly for the financing. In the end, it had to be terminated and wound up costing Government some \$450,000, according to the Auditor General.

We then had the situation with GLF, which was to be the contractor for the ill-fated cruise berthing facilities, and which had its contract terminated by the then-Premier, now-Leader of the Opposition. That contract was wrongfully terminated because the country wound up paying some US\$3 million as compensation to GLF. And then, we had China Harbour, again begin cherry-picked by the now-Leader of the Opposition and a contract over the course of 18 months, which I said earlier, was found by the United Kingdom to be fraught with issues.

Madam Speaker, the harsh reality is that the former Premier and his administration brought us to the brink of possible intervention by the United Kingdom Government. Madam Speaker, maybe it was because of his inattention, maybe it was because of his habit of spending so much time off the Island that he could not properly apply himself to the affairs of the country. Whatever it was, Madam Speaker, it brought us to the brink of a possible suspension of our Constitution in the way that occurred in Turks and Caicos Islands.

Madam Speaker, I have reached back into the annals of time and spent some time here refreshing the memories of Members of this House and our listening and viewing audiences of the problems that plagued the UDP administration, problems of their own making, especially by the now-Leader of the Opposition. The Budgets they produced under him as Minister of Finance were bad for the country and led, as I have just iterated, to intervention from the UK, forcing the UDP and its Leader and Minister of Finance, to sign up to the FFR requirements. The UK was at the time ensuring that the now-Leader of the Opposition was going to keep his otherwise empty promises, live up to his obligations, and to indeed stop frittering away valuable opportunities and wasting millions of dollars of the Cayman Islands Government.

Madam Speaker, this administration which I have the honour and privilege to lead, has proven without a shadow of a doubt that we support the Framework for Fiscal Responsibility and need no such outside influences or threats. We demonstrated it when we first took office, when we presented a credible three-year financial plan to the country and to the UK to put Government finances on solid ground. The outcome has been budgets that produce strong revenue growth, with controlled expenditure through disciplined financial planning that have led to good surpluses. The outcome has also been budgets that have consistently met the required legislative appraisal and value for money tenets that looked at reducing debt and were presented to the UK on time and were approved by them without issue on each occasion.

Madam Speaker, we continually produce budgets for economic growth, for jobs and prosperity. Our budgets cut the burden of taxes for the benefit of families and businesses. They also secure sound Government finances and reduce debt. Each and every budget that the Progressives-led Government has presented, takes us toward a better tomorrow.

Madam Speaker, I will remind this House that our economy is now stronger and more sustainable with growth up to 2.1 per cent for this current fiscal year. That growth is predicted to steadily increase, barring any unforeseen disasters or emergencies such as major hurricanes. A strengthened economy has helped create hundreds of private sector jobs and overall employment has fallen from 6.3 per cent, under the leadership of the now-Leader of the Opposition in 2013, to 4.7 per cent as of December 2014, under the Progressives-led Government. A strengthened economy has put us in the enviable spot of seeing our tourism numbers grow at record levels.

I know the Leader of the Opposition sought to take credit for the growth in those numbers, just as he continues to take credit for the hard work being done by this administration. But numbers don't lie, Madam Speaker. Stay-over tourism was up 10.84 per cent in 2014, over the previous year. And under this admin-

istration, cruise tourism is up 16.98 per cent in 2014 over 2013.

The Budget we presented to the House two weeks ago shows revenues that have been projected and we will proceed with caution to ensure those projections come to fruition. We are already thinking of how to decrease the tax burden even further in the 2016/17 Budget, and realise it is a fine balancing act, reducing the burden on our people and businesses, while ensuring Government operates smoothly and properly.

Madam Speaker, the Leader of the Opposition ended his debate inviting all Members to a meeting opposing one person, one vote. Madam Speaker, all I wish to say about this at this time, is, he can stand against it all he wants. As I said two weeks ago, we have delivered on the commitment to move forward with the electoral reform, looking to introduce one person, one vote and single-member voting districts, the key principles of an accountable democratic government. The Boundary Commission is now in place and at work and we will wait their report. I can understand the reluctance of the Leader of the Opposition to try to turn people away from these democratic concepts, given his electoral success over many years under the current system. But, as I said before, I feel sorry for him, but I won't cry. I could go on and on, Madam Speaker, but I grow weary of attempting to right all of the misrepresentations made by the Leader of the Opposition in his so-called debate.

Madam Speaker, let me conclude by again highlighting some of the things that the Progressives-led administration has accomplished on issues that the previous administration discussed, but did little more.

Madam Speaker, we have agreed to implement a national minimum wage to go in force on the 1st of March, next year. We have reduced duties on some imported goods, including diesel used by CUC. The civil service is getting a much needed and deserved cost-of-living increase starting in July. We have enacted the National Conservation Law. We delivered on our promise to consult on Sunday trading and to make the adjustments and amendments that were suggested. We are delivering key infrastructure improvements with airport redevelopment and a new cruise berthing facility. We are strengthening the economy through public and private partnership projects. We are creating a new Maritime Park. We support continued development of Health City. We are modernising our legal framework in the area of intellectual property. We are supporting the employment of more Caymanians by strengthening the National Workforce Development Agency. We are acting swiftly on a long-term solution to the country's waste problem. We have drafted a Disabilities Bill. We will pass the long-awaited Builders Bill. We have established a Central Procurement Office.

Madam Speaker, those are just a few highlights. Because of extraordinary teamwork the Progressives-led Government has been successful in riding the good ship Cayman that the UDP administration left listing and fast taking on water.

Madam Speaker, the Leader of the Opposition is fond of saying that I had to put four people on the Progressives-led team to do the job that he did. But we all know the job that he did. Madam Speaker, I am not as able as the Leader of the Opposition. My shoulders are not as broad, my intellect is not as strong to be able to assume responsibility as Minister of Finance, Minister of Financial Services, Minister of Development, Minister of Tourism, Minister of Commerce, and be Premier as well. Madam Speaker, if anyone wonders why the Leader, among other things, the now-Leader of the Opposition struggled to carry out his duties, just examine the list of responsibilities and portfolios which he assumed.

Madam Speaker, what I have sought to do as Premier is to put key people who have the ability, training, experience, and acumen to do the jobs they hold in this Progressives-led Administration. I do not attempt to be Minister of everything. Madam Speaker, today our country is benefiting from the combined experience and wisdom of our team. Teamwork is something this country has not had for many years, especially under the leadership of the now-Leader of the Opposition.

Madam Speaker, this Government is not looking at our service to this country as just a four-year term at which we are at the midpoint. We thoroughly hope and expect to be in office for much longer to see that the projects that we have shepherded for the benefit of our people and country are carried through, and that the sound financial base that we are building, and the good governance structures that we are putting in place, are carried through and ultimately endure for the benefit of the people of this beloved country.

Madam Speaker, even a recent *Cayman Compass* poll gives this Government a 72 per cent approval rating at midterm. Madam Speaker, we hope to carry on as we have started. I believe our people will judge the performance of this Government in due course and realise that we have delivered on our promises, unlike those uttered when the now-Leader of the Opposition was Premier.

Madam Speaker, I leave this honourable House and all within the sound of my voice with this: This Administration has turned the economy of the Cayman Islands around. We said we would get there and now we have. We have proven that we can deliver on our promise of stability and prosperity because we did what we said we were going to do. We have a plan and we are sticking to it. Ours is but to fight the good fight. It is what we will continue to do for the betterment of our people now, and into the future. We will

go forward and continue to increase the prosperity of our country and our people.

Madam Speaker, we are on a good path. Cayman is on a good track. And, Madam Speaker, we shall continue, with God's help and guidance, to lead this country toward a better tomorrow.

I thank you, Madam Speaker.

[Desk thumping]

The Speaker: The question is that a Bill shortly entitled the Appropriation (July 2015 to June 2016) Bill, 2015, be given a second reading.

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

AYES.

The Speaker: The Ayes have it. Accordingly, the Appropriation (July 2015 to June 2016) Bill, 2015 has been given a second reading.

Agreed: Appropriation (July 2015 to June 2016) Bill, 2015, given a second reading.

The Speaker: I recognise the Honourable Premier.

ADJOURNMENT

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

Madam Speaker, we are right on schedule. It is, I believe, about six o'clock. Again, I wish to thank all Members of this honourable House for working late every evening so that we could complete the debate on the Budget, Throne Speech, and Policy Statement in good time.

Madam Speaker, as indicated by the Minister of Finance, we intend to start proceedings in Finance Committee at 10:00 am tomorrow.

With that, Madam Speaker, I move the adjournment of this honourable House until the conclusion of Finance Committee.

The Speaker: The question is that the Honourable House be adjourned until the conclusion of Finance Committee.

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

AYES.

The Speaker: The Ayes have it.

Accordingly, the House now stands adjourned until the conclusion of our Finance Committee, which I understand will commence at 10:00 am tomorrow.

At 6:01 pm the House stood adjourned until the conclusion of the Standing Finance Committee on

